
Act 388 Revisited

A Self Center Report

By

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and

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EXECUTIVE SUMMARY

This report reviews the effects of homeowner school property tax relief in South Carolina. The impact of tax relief on the level of school district funding and its composition is examined, both statewide and at the district level. Particular emphasis is given to identifying distributional changes among districts resulting from Act 388 of 2006, which had a negative impact on many poorer districts. School funding data examined in this report is from fiscal years 1994-95 to 2009-10.

1995 Homeowner School Property Tax Relief

The first widespread school property tax relief in South Carolina was adopted in 1995 and implemented in fiscal year 1995-96. It provided state-funded property tax relief for school operating taxes on the first \$100,000 of market value of owner-occupied residential property. This program was integrated with the existing \$20,000 homestead exemption for the elderly and disabled, which was expanded to \$50,000 in 2000.

- Before the 1995 homeowner school property tax relief program, schools were funded in almost equal shares from the local property tax (46.2 percent in 1994-95) and state aid (45 percent). Federal aid contributed less than 10 percent of total revenue.
- Education Finance Act (EFA) funding provided 57.4 percent of state aid to school districts in 1994-95. The EFA funding formula was established as and remains the primary tool for equalization of educational resources across districts with very unequal property tax bases. Poor districts receive more EFA state aid per pupil than wealthy districts, which have greater ability to raise revenue for schools from local sources.
- After implementation of the 1995 tax relief program, the balance between state and local school funding shifted toward state funding. Funding shares were 40.2 percent local and 51.5 percent state in 1995-96. Much of that shift came from the additional \$203 million in state funding for the 1995 tax relief program, which replaced some revenue from local property taxes.
- After implementation of the 1995 tax relief program, EFA's share of state aid to schools dropped to 49.1 percent in 1995-96.
- The state's contribution to the 1995 tax relief was capped at \$249.1 million a year in 2001-02. As a result, state funding for this program declined from 5.8 percent in the first year to only 3.5 percent of total school district operating funds by 2006-07, the last year before the implementation of Act 388.
- In 2006-07, the last year before the implementation of Act 388, the average South Carolina school district received \$491 per pupil in state-funded property tax relief.

Act 388 of 2006

Act 388 of 2006 exempted owner-occupied residential property from school operating taxes beginning in tax year 2007. At the same time, the state retail sales tax was increased from 5 percent to 6 percent. Revenue from this tax increase was dedicated to compensating school districts for lost property tax revenue resulting from Act 388.

School districts received state funds to replace expected property tax funds beginning in fiscal year 2007-08. After the first year, districts received state revenue for Act 388 homeowner tax relief by formula. Implementation of Act 388 came just before the state and national economy entered a major recession, which adversely affected the amount of state and local revenue available to fund schools. Funding changes associated with Act 388 were evaluated starting in 2006-07, the year before Act 388 was implemented, through 2009-10, the last year for which data was available.

Statewide funding changes

- School district operating revenue per pupil from all sources (local, state and federal) increased \$830 per pupil statewide, or 8.0 percent, over the three year period from 2006-07 to 2009-10. On average, this increase is only about 2.6 percent a year, just about enough to offset inflation and growth in the number of pupils.
- Most of the observed increase in school operating revenue per pupil between 2006-07 and 2009-10 was due to a large jump in federal aid from stimulus funds in 2009-10, which is no longer available.
- Excluding federal aid, the average increase between 2006-07 and 2009-10 in state and local revenue combined to South Carolina school districts was only \$288 per pupil, or 3.1 percent over the three year period (about one percent a year).
- At the local level, Act 388 caused a significant shift in the property tax burden from homeowners to commercial and rental property. Owner-occupied residential property and commercial and rental property are the two largest and fastest-growing components of the property tax base, accounting for about 70 percent of all taxable property in recent years. But after the implementation of Act 388, South Carolina schools can no longer raise funds for school operations from nearly one-third of the tax base. As a result, the estimated share of property tax revenue for schools obtained from commercial and rental property grew from 37.8 percent in 2006-07 to 47.1 percent in 2009-10, shifting the cost of public education from homeowners to commercial and rental property.
- At the state level, Act 388 increased demand on the South Carolina General Fund. Sales tax collections have fallen far short of Act 388's formula reimbursement each year, requiring additional appropriations from the state's General Fund; \$93.2 million was required in 2009-10.
- State-funded school property tax relief for homeowners averaged \$1,382 per pupil statewide in 2009-10.

Funding changes at the district level

- Changes in funding resulting from Act 388 and the recent recession affected South Carolina school districts unevenly. There are rich and poor districts among both gainers and losers after the implementation of Act 388. A disproportionate number of poor districts are among the losers in terms of changes in combined state and local funding per pupil between 2006-07 (the year before Act 388 was implemented) and 2009-10.
- Forty school districts experienced declines in combined local and state funding per pupil between 2006-07 and 2009-10. This group included 16 of the 26 districts classified as poor based on their property tax base per pupil. Dillon 1 was at the bottom of the list, losing \$1,674 in state and local funding per pupil over the three year period.
- Forty-five districts gained state and local funding per pupil over the three year period since the implementation of Act 388's funding changes. Ten of these gainers were classified as poor, and fifteen gainers benefitted from the guarantee of a minimum of \$2.5 million in Act 388 funds per county. Nine school districts gained over \$1,000 per pupil between 2006-07 and 2009-10.
- Changes in total state aid per pupil disproportionately favored property tax rich districts over poorer districts. Thirty-nine districts reported lower state funding per pupil in 2009-10 than in 2006-07, the year before Act 388 funding was implemented. Nineteen of the 26 districts classified as poor (73 percent) were in this group.
- The inception of Act 388 funding coincided with a reduction in the EFA base student cost. Twenty-eight districts, including 15 of the 26 poorest districts, saw a net decline in per pupil revenue from these two state funding sources combined between 2006-07 and 2009-10.
- In 2009-10, the funded EFA base student cost was \$1,756 per pupil. State-funded school property tax relief for homeowners in the same year was \$1,382 per pupil, or 65.3 percent of the EFA amount.
- Twenty-one districts saw increases of 20 percent or more in combined Act 388 and EFA funding between 2006-07 and 2009-10. Only three of these 21 districts were poor districts—McCormick, Allendale, and Lee—and all three districts were beneficiaries of Act 388's \$2.5 million funding minimum per county provision. Seven of the top gainers in combined Act 388 tax relief and EFA funding were also among the top twenty school districts in assessed valuation per pupil.
- District funding from Act 388 property tax reimbursement alone (\$2.5 million county minimum included) ranged from \$198 per pupil in Orangeburg 4 to \$2,152 per pupil in Beaufort and \$3,034 in McCormick.
- Even if the EFA base student cost had been fully funded according to formula in 2009-10 (\$2,687 per pupil by formula compared to \$1,756 per pupil actually funded), funding from Act 388 would still primarily favor wealthier school districts and small, single district counties, while disparities in per pupil funding growth among districts over time would remain.

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INTRODUCTION

In 2006, the South Carolina General Assembly passed Act 388, a property tax relief and sales tax increase package.¹ The act took effect on June 1, 2007, so it fully impacted school districts beginning in fiscal year 2007-08. With data now available for the first three years of experience under this legislation, it is possible to do a preliminary review of Act 388's impact on the level of state aid to the state's 85 school districts and its distribution across districts.

Two primary data sources were used in the preparation of this report. The *Local Government Finance Report* (LGFR) summarizes school district, county and municipal finances and is prepared annually by the Office of Research and Statistics of the South Carolina Budget and Control Board.² The LGFR draws on individual school district finance detail reported to the South Carolina Department of Education, which were used for individual district comparisons.³ (Some funding totals from these sources may differ from those in other state reports.)

This report discusses school district operating revenue only; revenue from bonds and leases used for capital purchases is excluded. In addition, County board and vocational center funding is merged with district funding by average daily membership, where applicable. Appendix A contains total school district funding detail, including funding shares, for the 15 year period from 1994-95 to 2009-10.

¹ South Carolina, Act 388 of 2006 (<http://www.scstatehouse.gov/billsearch.php>).

² S.C. Budget and Control Board, Office of Research and Statistics, *Local Government Finance Report*, (most recent version located at: <http://ors.sc.gov/economics/localgov.html>). Revenue from bonds and leases excluded.

³ S.C. Dept. of Education, *South Carolina School Districts Statement of Revenues*, for years ending June 30, 2007 and 2010. (<http://ed.sc.gov/agency/cfo/finance/HistoricalFinanceData.cfm>) Funding from bonds, leases, and charter schools excluded. County board and vocational center funding is merged with district revenue by ADM, where applicable.

EDUCATION FUNDING BEFORE ACT 388

The 1995 school tax relief program for homeowners was the first step in a shift away from equalization of educational resources in the overall distribution of state aid to South Carolina school districts. That shift has been accelerated by the funding changes associated with Act 388 as well as the legislature's failure to fully fund the EFA formula in recent years.

The Early 1990s

Before the 1995 school tax relief program, which took effect in 1995-96, school operations were funded in almost equal shares from the local property tax and state aid through a complex assortment of programs. The local share, 46.2%, was slightly higher than the state's 45.0% in 1994-95, and was rounded out by a modest federal contribution of 8.9% (Figure 1).

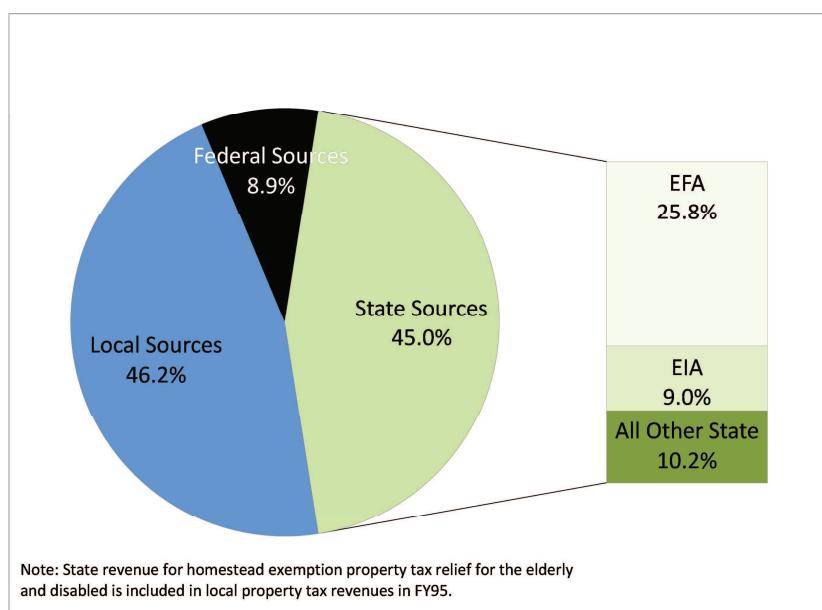


Figure 1. SC school district revenue shares, FY95

State aid was—and continues to be—channeled through a number of programs including the Education Finance Act (EFA), the Education Improvement Act (EIA), and state grants for employee benefits, transportation and other targeted areas. In 1994-95 the state also funded the homestead exemption for the elderly and disabled, property tax relief that applies to county and city as well as school taxes.⁴

⁴ Two additional state-funded tax relief programs, the merchant's inventory tax reimbursement and the manufacturers' depreciation reimbursement, benefit school districts as well as counties and municipalities and are included in other state revenue in this report. The homestead reimbursement for the elderly and disabled and the merchant's inventory tax

EFA, passed in 1977, distributes funds to school districts through a complex formula that is based on the revenue capacity of school districts from the property tax and the composition of its students. In 1994-95, prior to the two tax relief programs, EFA provided \$858.6 million to school districts in South Carolina, or 57.4 percent of all state aid. The EFA funding formula begins with the statewide base student cost, determined by adjusting for inflation. The General Assembly may or may not choose to fully fund the inflation-adjusted figure. Each school district is entitled to EFA funds that consist of the base student cost multiplied by the number of students, with the students weighted according to factors that account for higher or lower average cost, such as grade level, special education, disability, or vocational education.

The average school district pays 30 percent of the EFA base student cost per pupil with local revenue—mostly from the property tax—and the state pays the other 70 percent out of the South Carolina General Fund. The state share for a particular district is adjusted upward or downward from the 70-30 average split based on the district's index of taxpaying ability, a measure of the district's share of total state taxable property value. Thus, districts with low property tax bases will receive more EFA funding per pupil from the state than districts with higher-valued tax bases. The EFA formula was established as—and remains—the primary tool for equalization of educational resources across districts with very unequal property tax bases

EIA, passed in 1985, increased the state sales tax from 4 percent to 5 percent and dedicated the extra penny to a separate fund. EIA spending priorities are set annually by the General Assembly and EIA funds are distributed among districts on a per pupil basis. In 1994-95, EIA provided \$298.9 million to school districts, or 20 percent of all state aid. While EIA does not favor poorer districts, EIA's per pupil distribution does help to reduce disparities across districts to some degree.

Development of School Tax Relief, 1993-2006

The roots of Act 388 go back to 1993 and 1994, when protests against rising property assessments—chiefly in Lexington and Charleston Counties—led to pressure on legislators for property tax relief. At the same time the *Abbeville* case, a lawsuit about inequitable school funding in South Carolina, was wending its way through the courts.⁵

The legislature realized that a possible resolution to both of these issues might be to shift a larger share of education funding to the state. The result was a budget proviso to the General Appropriations Bill in 1995, which provided state-funded property tax relief for school operating taxes on the first \$100,000 of market value of owner-occupied residential property.⁶ This first school-only property tax relief for homeowners did not take into account the incentive it created for school districts to raise mill rates in order to get more state aid, but that oversight was corrected in 1996 when mill rates were fixed at their 1995 level.⁷ The 1995 school tax relief program is also referred to as Tier 1 tax relief.

The state's contribution to this new school property tax relief for homeowners was subsequently capped at \$249.1 million in 2001-02. From that point forward, school districts were responsible for making up

reimbursement were reported in property tax revenue prior to 1995-96. The merchant's inventory tax reimbursement has been fixed at \$40.6 million statewide (school districts, counties and cities) since 1992-93. The manufacturer's depreciation reimbursement did not take effect until 1998-99.

⁵ *Abbeville County School District v. State of South Carolina* (Case Number 93-CP-31-0169), pending.

⁶ South Carolina 1995 Act No. 145, Part II, Section 119A (General Appropriations Act).

⁷ South Carolina 1996 Act No. 401, Sections 1 and 2.

any tax revenue shortfall arising from the homeowner exemption if the district experienced new home construction or increased home values for properties that had been worth less than \$100,000.

The 1995 school tax relief for homeowners was integrated with the existing \$20,000 homestead exemption for the elderly and disabled, an exemption that was subsequently expanded to \$50,000 in 2000.⁸ While all homeowners received relief from school operating taxes on the market value of their home up to \$100,000; elderly and disabled homeowners received additional relief from county and municipal taxes from their existing homestead exemption. The homestead exemption for the elderly is also called Tier 2 tax relief.

In 2005, legislators conducted hearings at multiple locations around the state to solicit citizen input on the issue of property tax relief. The hearings, which were well attended, heard a number of constituencies make a case for or against various proposals involving sales-tax-funded property tax relief. This input was taken into consideration in drafting Act 388, passed in 2006. School tax relief for homeowners from Act 388 is also referred to as Tier 3 tax relief.

Act 388 affected property tax collections and school district revenue starting in fiscal year 2007-08. At this point, school funding data are available for three completed years under Act 388. There was also a major recession during this period, which affected the total amount of state aid received by school districts. However, the distribution of state aid among districts—large and small, rich and poor—was determined by legislative actions, particularly Act 388 and decisions about the annual levels of base student cost in the EFA formula.

This report examines changes in the overall level and composition of state aid and its distribution among school districts resulting from state funding of school property tax relief for homeowners, starting with first widespread tax relief program in 1995-96 and continuing with Act 388 in 2007-08. This report also examines changes in the distribution of state aid among individual school districts resulting from Act 388.

1995 Homeowner School Tax Relief

The state appropriated \$195 million to fund the first widespread school property relief for homeowners beginning in 1995-96.⁹ (State aid for property tax relief reported by school districts was slightly higher at \$205.3 million.) The state's contribution to this tax relief was subsequently capped at \$249.1 million a year in 2001-02 after several years of steadily increasing reimbursements. From that point forward, school districts were responsible for making up any shortfall in state funding of the 1995 school tax relief program as a result of new home construction or rising values of properties initially worth less than \$100,000.

With implementation of the 1995 school tax relief program, the balance between state and local school operating funding shifted toward state revenue. In 1995-96, the local share, 40.2 percent, was now much lower than the state's 51.5 percent. Some of that shift came from the \$205.3 million in property tax relief funds resulting from the 1995 legislation (Figure 2).

This general distribution between state, local and federal revenue remained fairly consistent until the years 2000-01 through 2004-05. During this period state and local governments felt the impact of an

⁸ South Carolina Code Section 12-37-250(A)(1). (<http://www.scstatehouse.gov/research.php>)

⁹ S.C. Budget and Control Board, Office of State Budget, *Historical Analyses: A Compilation of Analyses of Certain Revenue, Appropriation, Expenditure, FTE and Other Data Through November 15, 2011*, p. 34 (http://www.budget.sc.gov/webfiles/OSB/historical/FY_2011_Historical_Analyses_for_webpage.pdf).

economic downturn, which had its major impact on state rather than local revenue sources. One response to state revenue shortfalls during these years was reduced funding for EFA. After fully funding the EFA's base student cost per pupil in 1998-99 and 1999-2000, the General Assembly did not fully fund the EFA formula again until 2005-06.¹⁰

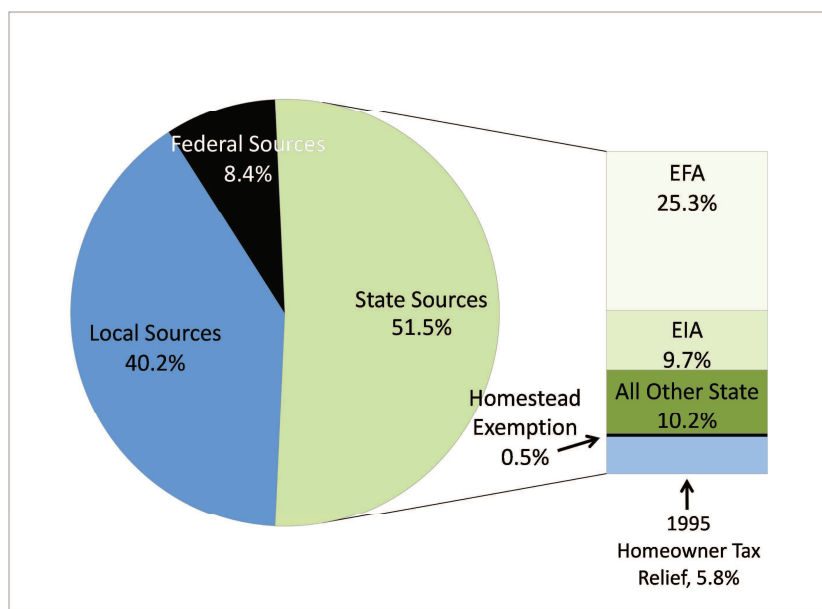


Figure 2. SC school district operating revenue shares, FY96

The distribution of school district funding shares between state and local sources slowly began to shift back toward local funding despite the additional state revenue from the 1995 tax relief program. By 2006-07, overall state funding for South Carolina school districts had declined to 43.2 percent of operating revenue after a high of 52.0 percent of operating revenue in 2000-01.

In contrast, the local funding share rose from a low of 40.2 percent in 1995-96, the year the 1995 school tax relief was implemented, to 46.8 percent in 2006-07. The federal share, which had remained below 9 percent of funding for school operations in the 1990s, rose to between 10 and 11 percent of district operating revenue in the mid 2000s (Figure 3, Appendix A).

This shift away from state funding reflected changes to sources of state funding of schools during the economic downturn in the early 2000s. Two changes were reduced per pupil funding levels for EFA and stagnant sales tax collections for EIA.

Another change to state funding for school districts resulted from the fact that the reimbursement level for the 1995 tax relief program had been fixed since 2001-02, making it a declining share of school district funding. From a high of 5.8 percent of school district operating revenues in 1995-96, state funding for the 1995 homeowner school tax relief program declined to only 3.5 percent of district revenue by 2006-07, the last year before implementation of Act 388 (Figure 4).

¹⁰ SC Dept. of Education, *Base Student Cost* worksheet STATS-BSC-ANALYSIS-100903.xls (<http://ed.sc.gov/agency/cfo/finance/HistoricalFinanceData.cfm>)

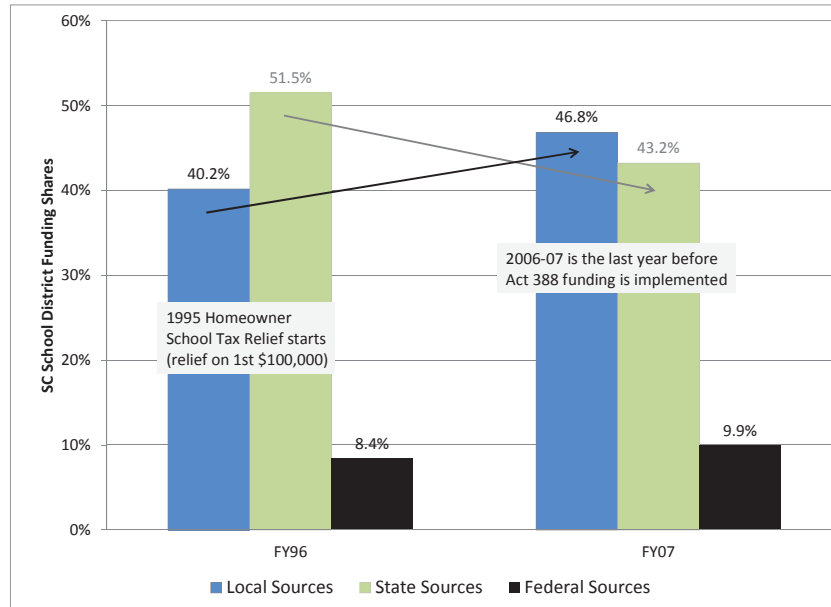


Figure 3. SC school district operating revenue shares, FY96 and FY07

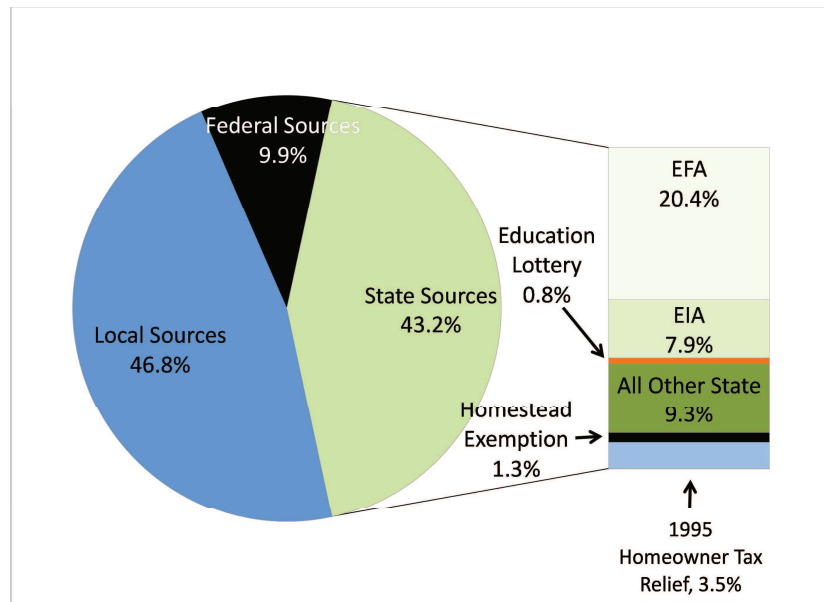


Figure 4. SC school district operating revenue shares, FY07

PROVISIONS OF ACT 388

Beginning in June 2007, the state retail sales tax was increased from 5 percent to 6 percent while the sales tax on food was reduced at first to 3 percent and later eliminated.¹¹ The food sales tax exemption, which was intended to provide some relief from the extra sales tax for lower income households, was estimated to cost the state about \$265 million a year.¹² These lower income households were unlikely to benefit from Act 388's additional school property tax relief either because the value of their owner-occupied residences was less than \$100,000 or because they were renters.

The revenue from the sales tax increase was directed outside the South Carolina General Fund to a special Homestead Exemption Fund (HEF), which is used to provide compensation to school districts for lost property tax revenue resulting from Act 388.¹³ If the extra penny of sales tax does not generate enough revenue to fully fund the promised relief in a given year, by law the difference must be made up by the General Fund.

To date, Act 388's extra penny of sales tax has fallen far short of the necessary amount every year, so the General Fund's contribution to the Homestead Exemption Fund has ranged from \$14.5 million in 2007-08 to \$93.2 million in 2009-10.¹⁴ Projections through 2014-15 suggest that this pattern will continue in coming years.¹⁵

The two earlier homeowner property tax relief programs, the homestead exemption for the elderly and disabled and the 1995 homeowner school tax relief program, are also funded by the state's General Fund. Each year, sufficient tax revenue is appropriated from the General Fund for the two programs and moved to an off-budget fund, the Trust Fund for Tax Relief.¹⁶ The homestead exemption for the elderly and disabled cost the state \$193 million in 2009-10, with the school tax relief portion accounting for nearly \$81 million of the total. The 1995 homeowner school tax relief program remains capped at \$249.1 million a year (Table 1).

In 2007-08, the first year of implementation of Act 388, school districts were fully reimbursed from the new Homestead Reimbursement Fund for their estimated property tax revenue loss based on their property tax rates. Since then, districts have been reimbursed by formula. The total statewide reimbursement increases each year by a factor reflecting ten year average rate of population growth and inflation. The annual reimbursement must be provided regardless of how much revenue comes in from the sales tax. The distribution of that increase among school districts is based on student population growth in each district.

¹¹ This provision did impact EIA funds, which also are derived from the sales tax. The General Assembly committed the funds the first year to make up any decline in revenue because of the tax reduction on food.

¹² S.C. Budget and Control Board, Office of Research and Statistics, *Estimated Tax Savings Fiscal Years 1991 to 2008*, dated May 20, 2008.

¹³ The Homestead Exemption Fund is separate from the Trust Fund for Tax Relief, which receives funds for school tax relief for the homestead exemption for the elderly and disabled and for the 1995 homeowner property tax relief program and other programs.

¹⁴ S.C. Budget and Control Board, Board of Economic Advisors, *General Fund Revenue Forecast, Fiscal Years FY 2009-10 to FY2012-13*, dated November 11, 2011.

¹⁵ S.C. Budget and Control Board, Division of State Budget, *Three-Year General Fund Financial Outlook FY2012-13 to 2014-15*, dated December 2011, p. 5. (http://www.budget.sc.gov/webfiles/OSB/historical/FY2013-FY2015_Financial_Outlook_-_Final_%2812-21-11%29.pdf)

¹⁶ The Trust Fund for Tax Relief also contains revenue appropriated to fund the manufacturer's depreciation reimbursement and the merchant's inventory reimbursement.

Table 1. State-Funded School Property Tax Relief for Homeowners

	2006-07 (millions)	2007-08 (millions)	2008-09 (millions)	2009-10 (millions)
Homestead exemption for elderly & disabled (Tier 2)	\$90.3	\$80.9	\$80.9	\$80.9
1995 school property tax relief for homeowners (Tier 1)	\$243.4	\$249.1	\$249.1	\$249.1
Homestead Exemption Fund (Act 388) (Tier 3)	\$0.0	\$565.1	\$586.2	\$620.7
HEF formula disbursements to districts	\$0.0	\$535.0	\$559.2	\$597.5
\$2.5 million min. to counties	\$0.0	\$30.1	\$27.0	\$23.2
Total homeowner school tax relief	\$333.7	\$895.0	\$916.2	\$950.6
<i>Homeowner school tax relief per pupil</i>	<i>\$491</i>	<i>\$1,310</i>	<i>\$1,334</i>	<i>\$1,382</i>

Source: LGFR, selected years.

State-funded school property tax relief for homeowners amounted to \$1,382 per pupil in 2009-10. This amount is 51.4 percent of the EFA's base student cost formula for that year, \$2,687 per pupil. It is 65.3 percent of the EFA base student cost actually funded, \$1,756.

The authors of Act 388 were aware that poorer, smaller school districts would receive little revenue from Act 388 because they had relatively few owner-occupied homes valued at more than \$100,000. The remedy offered for this problem was a guarantee of \$2.5 million per county (*not* per district) minimum property tax relief reimbursements, which helped some poor districts but not others. If the Act 388 reimbursement to districts in a particular county comes to less than \$2.5 million, the difference will be made up from the Homestead Exemption Fund.

Thirty-one districts in 21 counties qualified for \$30.1 million in these additional funds when Act 388 was implemented. As the normal reimbursement grows over time with population and inflation, fewer counties will qualify for these extra funds. In 2009-10, 30 districts in 20 counties qualified and shared \$23.2 million.

Act 388's minimum funding provision benefits school districts in small, poor counties, but not all of them. Some counties with multiple school districts are too populous to qualify for the funding minimum despite one or more small, poor districts within the county. The significance of this disadvantage becomes clear only when the finances of individual districts are examined.

ACT 388 AND STATEWIDE FUNDING FOR SCHOOL OPERATIONS

The statewide effect of Act 388 of 2006 on South Carolina school districts is difficult to assess, because the second and third years of implementation coincided with a sharp downturn in the economy and thus in state revenue collections. In 2007-08, the first year in which school districts received state sales tax funds to cover the exemption of owner-occupied residential real property from school operating taxes, total school district operating revenue from all sources increased \$613 million over the level in the previous year. Most of that one-year increase (\$558 million) was due to the increase in state funding required to cover the Act 388 school property tax reimbursement (Figure 5).

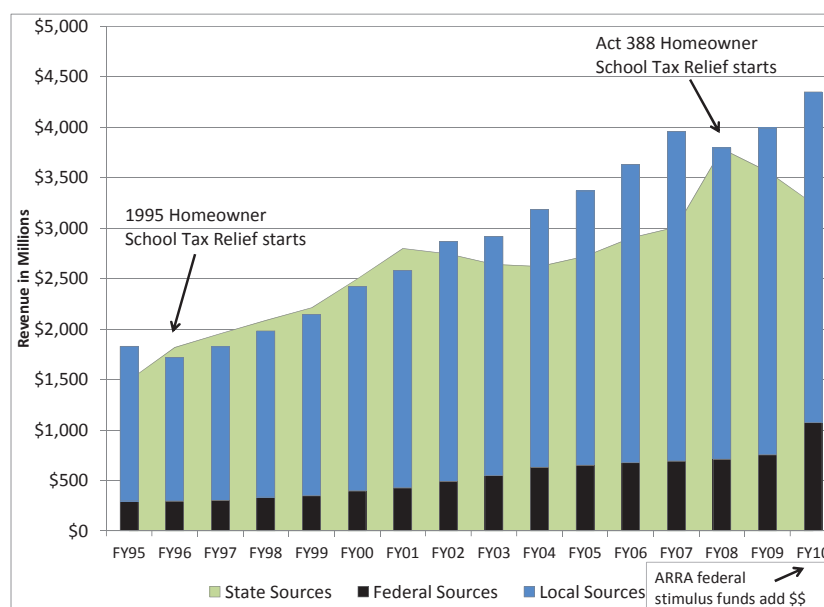


Figure 5. SC school district funding, FY95 to FY10

School Funding Shares

Beginning in 2007-08, school districts no longer collected property tax revenue for school operations from owner-occupied residential properties. As a result, the local revenue share of school funding dropped and the state revenue share rose. But only one year later, the effect of the economic downturn became evident in state revenue collections and the local share began to grow again. State aid declined sharply from 49.9 percent of school operating revenue in 2007-08 to 42.7 percent two years later (Figure 6).

EFA and EIA, two long term and important components of state funding for schools, dropped noticeably in their share of school operating funds after 2007-08 in response to the recession. The small funding

share from the South Carolina Education Lottery also declined. But state-funded homeowner property tax relief—homestead exemption for the elderly and disabled, 1995 tax relief, and Act 388 tax relief combined—more than doubled in share from the mid-2000s to 2009-10 (Figure 7, Table 2).

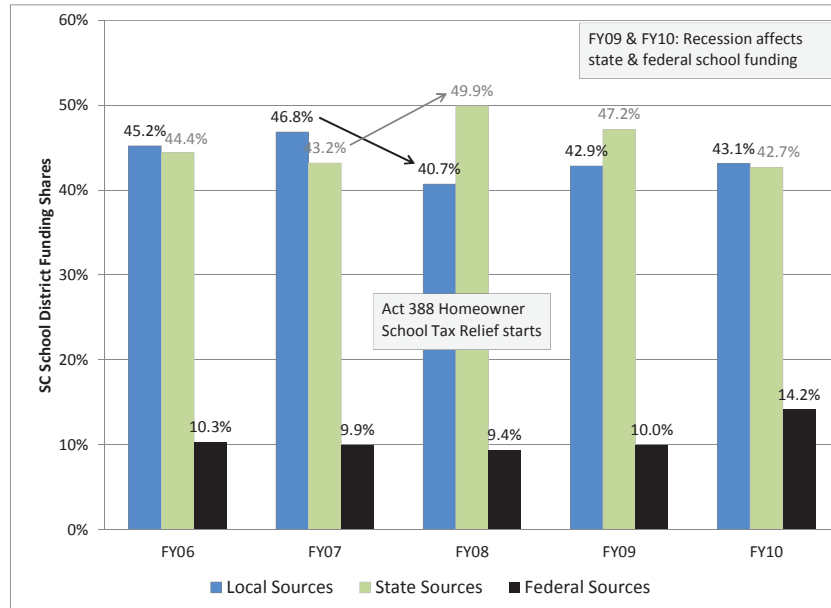


Figure 6. SC school district revenue shares, FY06 to FY10

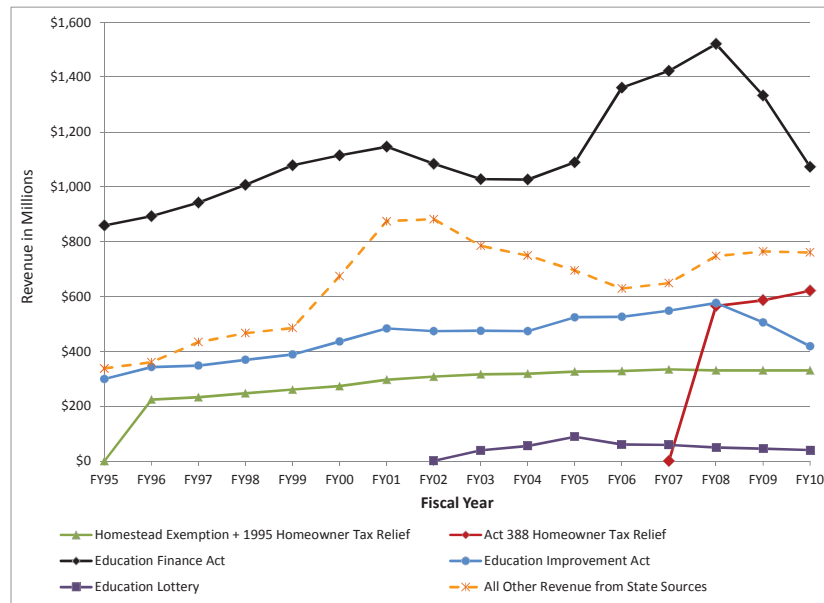


Figure 7. State funding for schools, FY95 to FY10

Table 2. SC School Funding Shares, FY05 to FY10

	2005-06	2006-07	2007-08	2008-09	2009-10
Local Sources	45.2%	46.8%	40.7%	42.9%	43.1%
Federal Sources	10.3%	9.9%	9.4%	10.0%	14.2%
State Sources	44.4%	43.2%	49.9%	47.2%	42.7%
EFA ^a	20.8%	20.4%	20.1%	17.6%	14.1%
EIA	8.0%	7.9%	7.6%	6.7%	5.5%
Lottery	0.9%	0.8%	0.6%	0.6%	0.5%
H'owner Tax Relief	5.0%	4.8%	11.8%	12.1%	12.5%
All Other State	9.6%	9.3%	9.9%	10.1%	10.1%
Total Operating Funds	100.0%	100.0%	100.0%	100.0%	100.0%

^aEFA base student cost per pupil was not fully funded in FY05, FY09, and FY10.

Source: LGFR, selected years. Note: Detail may not sum to total due to rounding.

School Funding Growth

Different rates of growth in the components of school district funding explain changing funding shares. Between 1995-96 and 2006-07—before Act 388 and the most recent recession but including the Tier 1 and Tier 2 school tax relief—funding for school operations grew at an average rate of 6.4 percent a year. However, local and state funding to school districts grew at very different rates (Figure 8).

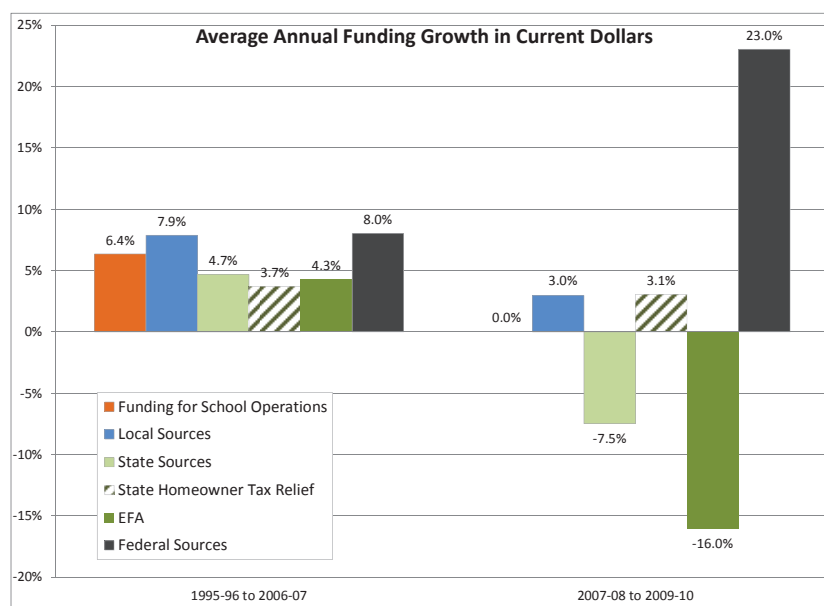


Figure 8. Average annual school district funding growth in current dollars

During this period, funds from local sources grew briskly at an average rate of 7.9 percent a year. Funds from state sources increased more slowly at 4.7 percent a year on average. EFA funding grew 4.3 percent a year over this period. Funds for state homeowner tax relief grew 3.7 percent a year with most of the growth in this category from the Tier 2 homestead exemption, which had more than doubled in exemption in 2000. Tier 1 tax relief had been capped since 2001-02. Federal aid grew faster at 8.0 percent a year on average. Funds from the EIA's one percent of the state retail sales tax grew at an average rate of 4.4 percent a year over this period (EIA not pictured in Figure 8).

After 2007-08, the combination of Act 388 funding changes and the recent recession had very different effects on school funding sources. Overall, total school operating funds remained nearly unchanged in current dollars from 2007-08 through 2009-10 at close to \$7.6 billion a year. Local revenue, state-funded homeowner property tax relief and federal aid grew during this three year period. However, total state funds to schools declined at an average rate of 7.5 percent a year and EFA funds fell more than twice as fast at 16.0 percent a year on average. EIA funds declined 14.7 percent a year over this recessionary period.

Adjusting Funding Growth for Pupils and Inflation

School operating expenditures are driven by enrollments, inflation and other factors. Adjusting current dollar school funding for the number of pupils and inflation yields a more precise measure of year-to-year funding trends before and after implementation of Act 388. Inflation-adjusted funding per pupil measures how well school district financial resources keep up with the cost of serving a growing student population.

Between 1995-96 and 2006-07, school enrollments statewide rose 7.6 percent, or about 0.7 percent a year on average. Per pupil funding for school district operations grew 5.7 percent a year on average over this period (Figure 9). Taking into account the effect of inflation, *real* school operations funding per pupil grew more slowly at 3.4 percent a year on average (Figure 10). Over this same period when the 1995 tax relief was in effect but before Act 388, combined local, state, and federal funding per pupil also increased, whether adjusted for inflation or not.

After implementation of Act 388, this generally positive growth trend changed. Per pupil funding for school operations was nearly flat, declining at an average rate of 0.3 percent a year in current dollars. In inflation-adjusted dollars, *real* total school operating funds per pupil declined an average of 1.5 percent a year. That is, schools were able to purchase fewer goods and services per pupil than they could just a few years earlier (Figure 10).

Some of that decline was accounted for by the failure of key components of state aid to grow, especially EFA and EIA. EFA funding per pupil dropped 16.3 percent a year on average while EIA funds per pupil dropped 15 percent a year (not pictured). This decline was steeper when factoring in inflation, with EFA funds per pupil dropping 17.3 percent a year and EIA funds per pupil down 16.1 percent a year in inflation adjusted terms.

In contrast, state-funded homeowner tax relief per pupil and local revenue per pupil both grew at positive, if slow rates, after adjusting for inflation. *Real* federal aid per pupil grew very quickly, propped up by the one-time infusion of funds in 2009-10 from the American Recovery and Reinvestment Act of 2009.

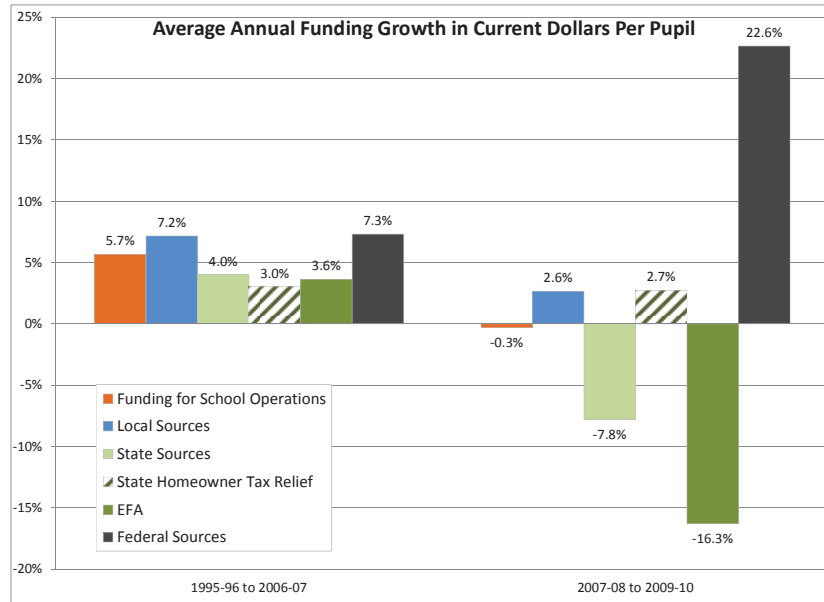


Figure 9. Average annual school district funding growth in current dollars per pupil

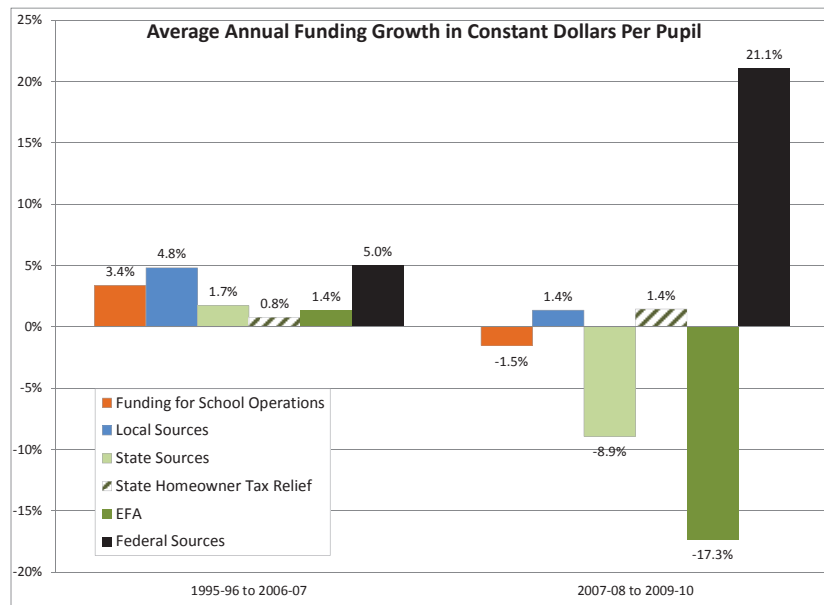


Figure 10. Average annual school district funding growth in constant dollars per pupil

School and County Funding Trends Compared

One might expect that South Carolina school districts and county governments would have fared in a similar fashion before and after implementation of Act 388 of 2006. After all, both were affected by the recession and Act 388's additional sales tax revenue was intended to replace school funding from owner-occupied residential property. What actually happened?

Between 1995-96 and 2006-07, only the 1995 homeowner school tax relief was in effect, exempting the first \$100,000 in value from property taxes for school operations. During this period, county revenue per capita grew at an average annual rate of 6.6 percent compared to 5.7 percent growth in school revenue per pupil (Table 3).

Table 3. School District and County Funding Growth Comparisons

	1995-96 to 2006-07	2007-08 to 2009-10
Counties		
Total revenue per capita	6.6% per year	1.2% per year
Total revenue per capita, inflation-adjusted	4.3% per year	-0.1% per year
School Districts		
Total revenue per pupil	5.7% per year	-0.3% per year
Total revenue per pupil, inflation-adjusted	3.4% per year	-1.5% per year

Source: LGFR, selected years.

Between 2007-08 and 2009-10, when Act 388 added to school property tax relief, per capita county revenue growth slowed to 1.2 percent a year—slow but still positive—while school funding per pupil declined 0.3 percent a year on average. Taking into account the effect of inflation, counties saw a very slight decline of 0.1 percent a year in funding per capita since 2007-08. Inflation-adjusted funding per pupil in schools declined faster at 1.5 percent a year.

There are two reasons why the counties fared better during this period than school districts: school districts' greater dependence on state aid and changes in the property tax.

Reliance on State Aid

Counties, which are not affected by Act 388's school funding provisions, are much less dependent than schools on state aid. In 2009-10, only 12.9 percent of county revenue came from state sources while schools received 42.7 of their funding from the state. County funding per capita from state sources declined 8.0 percent a year on average between 2007-08 and 2009-10, adjusted for inflation. But because of the relatively small state share in overall county funding, this decline did not have as large an impact on total funding as a similar drop (8.9 percent per pupil, inflation adjusted) in school district funding from state sources (Figure 7, above). On the other hand, a temporary large infusion of federal aid to schools in 2009-10 moderated the impact of the decline in state aid on total school funding.

While school districts did receive additional state funding from the property tax relief provisions of Act 388, other state funding declined as a result of the recession. As a result, the share of school district operating revenue coming from state sources dropped appreciably between 2007-08 (49.9 percent) and 2009-10 (42.7 percent), despite the increase in state funding from Act 388's additional penny of sales tax.

The Shifting Property Tax Burden

Since implementation of Act 388, South Carolina schools have been unable to benefit from a large part of the growth of the property tax base. Between tax years 2007 and 2009, owner-occupied residential property was the fastest growing component of the tax base, increasing in value at an average rate of 7.5 percent a year in current dollars (Table 4).¹⁷

Owner-occupied residential property and commercial and rental property are the two largest and fast-growing components of the property tax base, accounting for about 70 percent of all taxable property in recent years. These two classes of property also have both increased their share in total assessed property value over the years. This trend continued even during the recent recession.¹⁸

The most dramatic change in the distribution of school funding caused by Act 388 occurred within the property tax itself. Property owners other than homeowners still pay taxes for school operations. As described earlier, school funding from local sources—mostly the property tax—increased after implementation of Act 388 and during the recession, even after adjusting for inflation and student population. Act 388 shifted the school property tax burden away from owners of owner-occupied residential property to owners of other classes of property. At the same time, Act 388 distributed the cost of an additional one percent of retail sales tax over all taxable sales in the state.

Table 4. South Carolina Assessed Property Value Shares and Average Annual Growth by Classification

Real Property Assessment Classification	Tax Year 2007	Tax Year 2008	Tax Year 2009	Growth/Yr 2006-2009
Owner-occupied residential	30.4%	31.1%	32.2%	7.5%
Commercial & rental	37.4%	38.2%	38.7%	6.4%
All other	32.3%	30.7%	29.1%	3.3%
Total	100.0%	100.0%	100.0%	4.4%

Source: LGFR, selected years.

In response to Act 388, the estimated contribution to school funding from the property tax on owner-occupied residential property declined from 23.8 percent in 2006-07, the year before Act 388 was implemented, to 9.6 percent in 2007-08, then rose to 13.1 percent two years later (Table 5).¹⁹

In contrast, the estimated share of property tax revenue for schools from commercial and rental property grew from 37.8 percent to 47.1 percent over that short three year period. Commercial and rental property grew only slightly as a share of the tax base, however, between tax years 2007 and 2009. Thus, there was a significant shift of the cost of public education from homeowners to commercial and rental property.

¹⁷ The property tax base in tax year 2006 generates the revenue for fiscal year 2006-07 and the property tax base in tax year 2009 generates the revenue for fiscal year 2009-10.

¹⁸ Some of that growth was the result of conversion of property from rental or second homes to owner-occupied in response to Act 388, in order to take advantage of the tax benefits for homeowners.

¹⁹ Estimated property tax revenue by class of property in the *Local Government Finance Report* includes collections for debt service, which Act 388 does not exempt from school taxes.

Table 5. Estimated County and School District Revenues from the Property Tax by Classification

Real Property Assessment Classification	1995-96	2006-07	2007-08	2008-09	2009-10
Counties					
Owner-occupied residential	22.6%	29.4%	30.0%	30.8%	32.0%
Commercial & rental	26.5%	36.3%	36.0%	36.9%	37.5%
All other	50.8%	34.3%	34.0%	32.3%	30.6%
School Districts					
Owner-occupied residential	9.1%	23.8%	9.6%	11.3%	13.1%
Commercial & rental	31.7%	37.8%	45.8%	46.4%	47.1%
All other	59.2%	38.4%	44.7%	42.4%	39.9%

Source: LGFR, selected years.

ACT 388 AND CHANGES IN THE DISTRIBUTION OF FUNDS AMONG DISTRICTS

Act 388 resulted in some significant distributional changes in funding among school districts, including some changes that had a negative impact on poorer districts. We define poor districts as those that have an assessed value per pupil that was less than \$13,744, which was half the state average in 2007-08, the fiscal year in which Act 388's sales-for-property-tax swap was implemented. By this definition, 26 of the 85 school districts in South Carolina qualified as poor (Table 6, Appendix B).

Table 6. Poor School Districts, 2007-08
(Assessed property value per pupil <50% of SC average)

District	APV Per Pupil	District	APV Per Pupil
Allendale	\$12,657	Florence 5	\$9,018
Anderson 2	\$12,859	Greenwood 51	\$12,219
Anderson 3	\$13,650	Hampton 1	\$11,157
Bamberg 1	\$10,541	Hampton 2	\$11,532
Barnwell 19	\$11,345	Laurens 56	\$12,878
Barnwell 45	\$11,543	Lee	\$12,974
Chesterfield	\$13,722	Lexington 4	\$8,312
Clarendon 3	\$6,213	McCormick	\$4,337
Dillon 1	\$10,222	Marion 1	\$12,793
Dillon 2	\$12,804	Marion 2	\$11,662
Dillon 3	\$10,054	Marion 7	\$12,599
Florence 2	\$11,358	Marlboro	\$12,988
Florence 3	\$11,688	Spartanburg 4	\$13,654
		50% of SC Average	\$13,744

Source: S.C. Dept. of Education, *Rankings of the Counties and School Districts of South Carolina*, August 2011, table 59.

To identify distributional changes in funding, we compared individual district funding in 2006-07, when only Tier 1 and 2 homeowner school property tax relief was in effect, to funding levels in 2009-2010, the third year of Act 388 implementation. Distributional changes caused by Act 388 affected districts unevenly—there are rich and poor districts among both “gainers” and “losers.” But poor districts are disproportionately represented among those who lost more or gained less in total operating funding per pupil and in state funding per pupil between 2006-07 and 2009-10.

School Operating Funding Per Pupil

Federal Aid Included

Funding for school operations from all sources rose on average \$830 per pupil, or 8.0 percent, over the three year period between 2006-07 and 2009-10. That increase over three years is equivalent to only 2.6 percent per year. Some of this increase was the result of higher than usual federal aid from the American Recovery and Reconstruction Act in 2009-10.

With federal aid included, ten South Carolina school districts had less operating funds per pupil in 2009-10 than in 2006-07, while another six districts had only small increases in funding per pupil—below two percent—over this three year period (Table 7). Among those fifteen districts at the bottom of the list, seven were poor districts: Anderson 3, Dillon 1 and 3, Florence 2 and 5, Greenwood 51, and Spartanburg 4. Buoyed up by extra federal aid in 2009-10, 75 districts gained operating funds per pupil between 2006-07 and 2009-10. Appendix C contains rankings for all 85 school districts in South Carolina.

Table 7. Summary of Changes in Per Pupil School Funding for Operations from All Sources, 2006-07 to 2009-10

	Districts Gaining Funds	Districts Losing Funds
District with the greatest funding gain or loss	\$2,981 per pupil McCormick	-\$702 per pupil Spartanburg 4
No. of districts with gains/losses	75 gainers	10 districts
No. of poor districts	20 poor districts in 75 gainers	6 poor districts in 10 losers
No. of districts receiving supplemental Act 388 funds due to \$2.5 million county minimum	27 districts	3 districts

Federal Aid Excluded

Excluding federal aid, which was artificially high in 2009-10, funding for school operations from state and local sources combined increased only \$288 per pupil on average between 2006-07 and 2009-10. The average district saw a funding increase of 5.8 percent over this three year period, or 1.0 percent per year (Tables 8 and 9). Averaged over all districts, this rate of increase kept pace with inflation and pupil growth. But funding growth and decline varied widely among districts.

Table 8. Summary of Per Pupil School Funding for Operations from State and Local Sources Only, (Federal Aid Excluded) 2006-07 to 2009-10

	Districts Gaining Funds	District Losing Funds
District with the greatest funding gain or loss	\$2,361 per pupil Richland 1	-\$1,674 per pupil Dillon 1
No. of districts with gains/losses	45 districts	40 districts
No. of poor districts	10 poor districts in 45 gainers	16 poor districts in 40 losers
No. of districts receiving supplemental Act 388 funds due to \$2.5 million county minimum	15 districts	15 districts

Table 9. Per Pupil School Funding for Operations from State and Local Sources Only: Top Losers and Gainers,
Ranked by Dollar Change in Per Pupil Funding, 2006-07 and 2009-10

District	\$ PP 2006-07	\$ PP 2009-10	\$ Chg in \$ PP	% Chg in \$ PP	Rank in \$ Chg PP	Rank in % Chg PP	Poor
Bottom 15 Losing Districts							
Dillon 1	\$9,515	\$7,841	-\$1,674	-17.6%	85	85	Y
Florence 4	\$10,303	\$8,852	-\$1,452	-14.1%	84	84	
Spartanburg 4	\$8,570	\$7,398	-\$1,172	-13.7%	83	83	Y
Greenwood 51	\$9,144	\$8,263	-\$882	-9.6%	82	80	Y
Dillon 2	\$8,092	\$7,225	-\$867	-10.7%	81	82	Y
Dillon 3	\$8,171	\$7,344	-\$827	-10.1%	80	81	Y
Florence 2	\$8,676	\$7,858	-\$818	-9.4%	79	79	Y
Florence 5	\$9,637	\$8,857	-\$780	-8.1%	78	78	Y
Darlington	\$9,226	\$8,485	-\$741	-8.0%	77	77	
Newberry	\$10,536	\$9,798	-\$739	-7.0%	76	75	
Anderson 3	\$8,215	\$7,580	-\$635	-7.7%	75	76	Y
Bamberg 2	\$10,526	\$9,961	-\$565	-5.4%	74	74	
Chester	\$9,154	\$8,663	-\$491	-5.4%	73	73	
Greenville	\$8,702	\$8,272	-\$430	-4.9%	72	72	
Greenwood 50	\$9,485	\$9,077	-\$408	-4.3%	71	71	
Top 15 Gaining Districts							
York 1	\$8,459	\$9,300	\$840	9.9%	15	10	
Lee	\$9,460	\$10,336	\$877	9.3%	14	13	Y
Hampton 2	\$9,699	\$10,575	\$877	9.0%	13	14	Y
Lexington 5	\$10,070	\$11,017	\$947	9.4%	12	12	
Richland 2	\$10,098	\$11,051	\$954	9.4%	11	11	
York 2	\$11,321	\$12,288	\$966	8.5%	10	15	
Horry	\$10,162	\$11,180	\$1,018	10.0%	9	9	
Pickens	\$8,121	\$9,220	\$1,099	13.5%	8	7	
Bamberg 1	\$8,235	\$9,366	\$1,131	13.7%	7	6	Y
Spartanburg 7	\$11,802	\$13,087	\$1,285	10.9%	6	8	
Williamsburg	\$8,093	\$9,481	\$1,388	17.1%	5	4	
Greenwood 52	\$8,739	\$10,414	\$1,675	19.2%	4	1	
McCormick	\$11,723	\$13,455	\$1,733	14.8%	3	5	Y
Beaufort	\$10,775	\$12,779	\$2,004	18.6%	2	3	
Richland 1	\$12,590	\$14,951	\$2,361	18.8%	1	2	
SC Average	\$9,309	\$9,597	\$288	3.1%			
SC Median	\$8,952	\$8,950	\$33	0.4%			

Note: Funding from bonds, leases, and charter schools excluded. County board and vocational center funding is merged with district revenue by ADM, where applicable. Missing or incomplete FY2010 tax relief reimbursement data in reported data was corrected for the following districts: Aiken, Cherokee, Richland 1 and 2, Saluda and York 2.

Source: S.C. Dept. of Education, *South Carolina School Districts Statement of Revenues*, for years ending June 30, 2007 and 2010. (<http://ed.sc.gov/agency/cfo/finance/HistoricalFinanceData.cfm>)

With federal aid excluded, close to half of the state's school districts lost per pupil state and local funding between 2006-07 and 2009-10. But 45 districts gained state and local revenue per pupil over this same period, and 18 districts gained more than twice the state average per pupil.

The poor districts were overrepresented among the districts losing funds. Among the districts losing funds, 40 percent (16 districts) were defined as poor. Ten poor districts (22 percent) were included in the 45 districts gaining funds.

The Role of State Aid

Turning to the role of the state in the distribution of operating funds per pupil, 39 of the state's 85 school districts—or 46 percent of all districts—experienced actual declines in state funding per pupil between 2006-07 and 2009-10 (Table 10, Appendix E). These districts lost state aid per pupil despite the implementation of Act 388, with its replacement of local property tax revenues by state aid beginning in 2007-08. Nineteen of the 39 districts losing state funds per pupil were also poor districts. Table 11 lists the 15 districts that lost (or gained) the most state aid per pupil over this three year period. Florence 4 is at the bottom, losing nearly \$1,500 per pupil between 2006-07 and 2009-10.

Table 10. Summary of Changes in Per Pupil School Funding for Operations from State Sources Only, 2006-07 to 2009-10

	Districts Gaining Funds	District Losing Funds
District with the greatest funding gain or loss	\$2,701 per pupil McCormick	-\$1,497 per pupil Florence 4
No. of districts with gains/losses	46 districts	39 districts
No. of poor districts	7 poor districts in 46 gainers	19 poor districts in 39 losers
No. of districts receiving supplemental Act 388 funds due to \$2.5 million county minimum	13 districts	17 districts

Over half of South Carolina's 85 school districts gained state aid per pupil between 2006-07 and 2009-10. Nineteen of these 46 districts had increases in per pupil state funding of ten percent or more over the period, topped by Beaufort with a 143 percent increase. Among the 26 districts defined as poor, only two—McCormick and Bamberg 1—were on that favored list. Six districts experienced an increase in state funding over \$1,000 per pupil, topped by two districts with very different characteristics: populous and property-rich Beaufort (\$2,183 per pupil) and tiny, property-poor McCormick (\$2,701 per pupil). We investigate why some districts were big gainers of state aid while others were big losers in the following sections.

Table 11. Per Pupil School Funding from State Sources: Top Losers and Gainers,
Ranked by Dollar Change in Per Pupil State Funding 2006-07 and 2009-10

District	\$ PP 2006-07	\$ PP 2009-10	\$ Chg in \$ PP	% Chg in \$ PP	Rank in \$ Chg PP	Rank in % Chg PP	Poor
Bottom 15 Losing Districts							
Florence 4	\$6,610	\$5,113	-\$1,497	-22.6%	85	85	
Dillon 1	\$5,852	\$5,130	-\$722	-12.3%	84	84	Y
Clarendon 2	\$5,484	\$4,859	-\$625	-11.4%	83	82	
Colleton	\$5,101	\$4,502	-\$599	-11.7%	82	83	
Barnwell 45	\$5,766	\$5,173	-\$593	-10.3%	81	81	Y
Orangeburg 3	\$5,832	\$5,240	-\$593	-10.2%	80	80	
Barnwell 19	\$6,092	\$5,579	-\$512	-8.4%	79	77	Y
Clarendon 1	\$5,985	\$5,528	-\$457	-7.6%	78	74	
Marlboro	\$5,670	\$5,238	-\$433	-7.6%	77	73	Y
Darlington	\$4,845	\$4,429	-\$417	-8.6%	76	78	
Dillon 3	\$5,068	\$4,655	-\$413	-8.1%	75	76	Y
Barnwell 29	\$5,513	\$5,116	-\$397	-7.2%	74	72	
Orangeburg 4	\$5,065	\$4,669	-\$396	-7.8%	73	75	
Dillon 2	\$5,270	\$4,901	-\$369	-7.0%	72	71	Y
Horry	\$3,666	\$3,330	-\$336	-9.2%	71	79	
Top 15 Gaining Districts							
Spartanburg 2	\$4,404	\$4,974	\$570	12.9%	15	15	
Charleston	\$3,170	\$3,756	\$586	18.5%	14	11	
Bamberg 1	\$5,401	\$6,113	\$712	13.2%	13	14	Y
Richland 1	\$4,948	\$5,710	\$762	15.4%	12	13	
York 4	\$4,081	\$4,872	\$791	19.4%	11	8	
Lexington 1	\$4,634	\$5,499	\$865	18.7%	10	10	
Richland 2	\$4,655	\$5,544	\$889	19.1%	9	9	
Williamsburg	\$5,322	\$6,221	\$898	16.9%	8	12	
Spartanburg 1	\$4,827	\$5,770	\$943	19.5%	7	7	
Spartanburg 5	\$4,062	\$5,181	\$1,119	27.6%	6	6	
York 2	\$3,265	\$4,390	\$1,125	34.4%	5	4	
Greenwood 52	\$3,406	\$4,769	\$1,362	40.0%	4	3	
Lexington 5	\$4,650	\$6,023	\$1,373	29.5%	3	5	
Beaufort	\$1,526	\$3,709	\$2,183	143.0%	2	1	
McCormick	\$5,155	\$7,857	\$2,701	52.4%	1	2	Y
SC Average	\$4,476	\$4,769	\$294	6.6%			
SC Median	\$5,035	\$5,056	\$57	0.4%			

Note: Funding from bonds, leases, and charter schools excluded. County board and vocational center funding is merged with district revenue by ADM, where applicable. Missing or incomplete FY2010 tax relief reimbursement data in reported data was corrected for the following districts: Aiken, Cherokee, Richland 1 and 2, Saluda and York 2.

Source: S.C. Dept. of Education, *South Carolina School Districts Statement of Revenues*, for years ending June 30, 2007 and 2010. (<http://ed.sc.gov/agency/cfo/finance/HistoricalFinanceData.cfm>)

Other Factors Affecting the Distribution of State Funds

Act 388: State-Funded Homeowner Tax Relief

Act 388, taken by itself, was an important contributor—but not the sole contributor—to these swings in state aid among districts. While the average South Carolina school district received \$911 per pupil from Act 388 funding in 2009-10, two lucky districts, Beaufort and McCormick, received substantially more than double that amount. Nine additional districts received more than twice the median (\$669 per pupil). Twenty districts at the bottom of the list in Act 388 funds per pupil received less than half the district average (Tables 12 and 13, Appendix E). All South Carolina school districts received Act 388 funds for homeowner property tax relief.

Table 12. Summary of Changes in Per Pupil School Funding for Operations from Act 388 Tax Relief Only, 2006-07 to 2009-10

	Districts Gaining Funds
District with the greatest funding gain or loss	\$3,034 per pupil McCormick
No. of districts with gains/losses	85 districts
No. of poor districts	26 poor districts in 85 gainers
No. of districts receiving supplemental Act 388 funds due to \$2.5 million county minimum	30 districts

Act 388 funding per pupil varied widely among the 26 districts classified as poor. Four of the 19 districts receiving more than \$1,000 per pupil in Act 388 funds in 2009-10 were poor districts—Allendale, Bamberg 1, Lee, and McCormick. But 13 of the 20 districts at the bottom of the list in Act 388 funds per pupil also were poor districts, compared to only nine of the 59 districts that were classified as non-poor.

A single provision in Act 388 explains why the majority of districts with low assessed valuation per pupil received below average funding from this source, while a few poor districts received above average funding. Act 388 guarantees that the school districts in each county (but not each school district individually) receive at least \$2.5 million in Act 388 funds. Schools get the funds, but they are divided among districts within qualifying counties. This provision favors small, poor, single district counties such as Allendale, Lee, and McCormick. At the same time, it also disadvantages small, poor districts that are located in larger multi-district counties, such as Anderson 2 and 3 and Greenwood 51.

The Role of EFA

The inception of Act 388 funding coincided with a reduction in the EFA base student cost. Combined, these changes in state funding to school districts magnified the redistribution of funds toward wealthier districts and away from poorer districts. EFA is the primary instrument for equalizing funding across school districts in South Carolina, so an across the board reduction in EFA funding has greater impact on per pupil funds in the poorer districts.

Table 13. Per Pupil School Funding from State-Funded Act 388 Homeowner Tax Relief, 2009-10

District	APV 2007-08	Poor	Tier 3 Tax Relief PP	\$2.5 Million County Min.	Rank
Bottom 15 Districts					
Orangeburg 4	\$14,774		\$198		85
Anderson 3	\$13,650	Y	\$301		84
Florence 4	\$13,878		\$306		83
Chesterfield	\$13,722	Y	\$327	Y	82
Florence 3	\$11,688	Y	\$338		81
Orangeburg 3	\$17,559		\$349		80
Dillon 2	\$12,804	Y	\$357	Y	79
Dillon 3	\$10,054	Y	\$363	1	78
Darlington	\$19,275		\$373		77
Laurens 56	\$12,878	Y	\$378		76
Florence 5	\$9,018	Y	\$380		75
Florence 2	\$11,358	Y	\$383		74
Marion 1	\$12,793	Y	\$410	Y	73
Dillon 1	\$10,222	Y	\$411	Y	72
Colleton	\$26,202		\$417	Y	71
Top 15 Districts					
Bamberg 2	\$14,061		\$1,173	Y	15
Saluda	\$18,967		\$1,207	Y	14
Richland 1	\$29,984		\$1,233		13
York 4	\$26,833		\$1,333		12
York 2	\$41,876		\$1,364		11
Spartanburg 1	\$15,565		\$1,397		10
Spartanburg 5	\$22,326		\$1,483		9
Richland 2	\$17,723		\$1,491		8
Lexington 1	\$18,239		\$1,508		7
Charleston	\$64,387		\$1,528		6
Calhoun	\$48,045		\$1,533	Y	5
Allendale	\$12,657	Y	\$1,641	Y	4
Lexington 5	\$24,277		\$1,677		3
Beaufort	\$84,314		\$2,152		2
McCormick	\$4,337	Y	\$3,034	Y	1
SC Average	\$27,487		\$911		
SC Median	\$17,251		\$669		

Note: Funding from bonds, leases, and charter schools excluded. County board and vocational center funding is merged with district revenue by ADM, where applicable. Missing or incomplete FY2010 tax relief reimbursement data in reported data was corrected for the following districts: Aiken, Cherokee, Richland 1 and 2, Saluda and York 2.

Source: S.C. Dept. of Education, *South Carolina School Districts Statement of Revenues*, for years ending June 30, 2007 and 2010. (<http://ed.sc.gov/agency/cfo/finance/HistoricalFinanceData.cfm>)

To put this factor in perspective, Tables 14 and 15 show what the districts gaining and losing the most actually received from the state in combined Act 388 funding and EFA funding. (All districts are listed in Appendix G). In 2006-07, EFA funding averaged \$2,094 per pupil statewide.

In 2009-10, Act 388 funding came to an average of \$911 per pupil, but EFA funding had dropped to an average of only \$1,559 per pupil. Given this combined total of \$2,470 per pupil, the net increase in per pupil revenue from these two sources was only \$376 per pupil. Twenty-eight districts saw a net decline in per pupil revenue from these two state funding sources combined, including 15 of the 26 poorest districts. Another seven districts saw increases of less than two percent per year, three of them poor districts.

Twenty-one districts saw increases of 20 percent or more in combined Act 388 and EFA funding, only three of which were poor districts—McCormick, Allendale, and Lee— all beneficiaries of the \$2.5 million funding minimum per county provision. Seven of the top gainers in combined Act 388 tax relief and EFA funding were also among the top twenty school districts in assessed valuation per pupil.

Table 14. Summary of Changes in Per Pupil School Funding from State EFA +Act 388 Tax Relief Only, 2006-07 to 2009-10

	Districts Gaining Funds	District Losing Funds
District with the greatest funding gain or loss	\$2,443 per pupil McCormick	-\$371 per pupil Colleton
Total districts with gains/losses	57 districts	28 districts
No. of poor districts	11 poor districts in 57 gainers	15 poor districts in 28 losers
No. of districts receiving supplemental Act 388 funds due to \$2.5 million county minimum	17 districts	13 districts

What might have happened if the EFA formula had been fully funded in 2009-10?

If the EFA formula had been fully funded in 2009-10, very few districts would have received less money per pupil than in 2006-07. However, Act 388 would still primarily favor wealthier school districts and small, single district counties, and disparities in per pupil funding levels and growth among districts over time would remain.

If the EFA formula had been fully funded in 2009-10, the average district would have received 9.5 percent more in state and local funds combined (\$888 per pupil) between 2006-07 and 2009-10 (Table 16). Only three districts would have received less state and local funding per pupil in 2009-10 than in 2006-07, although two of them—Dillon 1 and Spartanburg 4—would still have come from the bottom 26 districts in assessed valuation per pupil (Appendix H).

Table 15: Per Pupil School Funding from State EFA + Act 388 Tax Relief, 2006-07 and 2009-10
Ranked by Dollar Change in Per Pupil Funding

District	Poor	\$ PP 2006-07	\$ PP 2009-10	\$ Chg in \$ PP	% Chg \$ PP	\$2.5 Mill. Cty. Min.	\$ Chg. Rank
Bottom 15 Districts							
Colleton		\$2,250	\$1,878	(\$371)	-16.5%	Y	85
Orangeburg 4		\$2,412	\$2,099	(\$313)	-13.0%		84
Florence 4		\$2,309	\$2,000	(\$308)	-13.3%		83
Orangeburg 3		\$2,397	\$2,128	(\$269)	-11.2%		82
Anderson 3	Y	\$2,495	\$2,282	(\$214)	-8.6%		81
Clarendon 3	Y	\$2,750	\$2,540	(\$210)	-7.6%	Y	80
Horry		\$1,700	\$1,491	(\$209)	-12.3%		79
Florence 5	Y	\$2,741	\$2,537	(\$204)	-7.5%		78
Dillon 3	Y	\$2,606	\$2,411	(\$196)	-7.5%	Y	77
Dillon 2	Y	\$2,496	\$2,304	(\$192)	-7.7%	Y	76
Chesterfield	Y	\$2,454	\$2,262	(\$191)	-7.8%	Y	75
Florence 3	Y	\$2,546	\$2,355	(\$191)	-7.5%		74
Marion 2	Y	\$2,609	\$2,438	(\$171)	-6.6%	Y	73
Laurens 56	Y	\$2,544	\$2,389	(\$155)	-6.1%		72
Florence 2	Y	\$2,657	\$2,502	(\$155)	-5.8%		71
Barnwell 19	Y	\$2,725	\$2,574	(\$151)	-5.5%	Y	70
Top 15 Districts							
Lee	Y	\$2,688	\$3,343	\$655	24.4%	Y	15
Greenwood 52		\$1,570	\$2,391	\$821	52.3%		14
Charleston		\$1,013	\$1,835	\$823	81.2%		13
Spartanburg 1		\$2,425	\$3,255	\$830	34.2%		12
York 4		\$2,194	\$3,026	\$831	37.9%		11
Richland 1		\$1,992	\$2,828	\$835	41.9%		10
Lexington 1		\$2,376	\$3,326	\$950	40.0%		9
Calhoun		\$1,725	\$2,677	\$952	55.2%	Y	8
Richland 2		\$2,334	\$3,308	\$974	41.7%		7
Spartanburg 5		\$2,001	\$3,132	\$1,131	56.6%		6
York 2		\$1,504	\$2,641	\$1,137	75.6%		5
Lexington 5		\$2,198	\$3,354	\$1,155	52.6%		4
Allendale	Y	\$2,448	\$3,611	\$1,163	47.5%	Y	3
Beaufort		\$66	\$2,152	\$2,086	3160.1%		2
McCormick	Y	\$1,611	\$4,054	\$2,443	151.6%	Y	1
SC Average/Total	26	\$2,094	\$2,470	\$376	17.9%	30	
SC Median		\$2,390	\$2,485	\$94	3.9%		

Note: Funding from bonds, leases, and charter schools excluded. County board and vocational center funding is merged with district revenue by ADM, where applicable. Missing or incomplete FY2010 tax relief reimbursement data in reported data was corrected for the following districts: Aiken, Cherokee, Richland 1 and 2, Saluda and York 2.

Source: S.C. Dept. of Education, *South Carolina School Districts Statement of Revenues*, for years ending June 30, 2007 and 2010. (<http://ed.sc.gov/agency/cfo/finance/HistoricalFinanceData.cfm>)

Table 16: Per Pupil School Funding from State and Local Sources including Fully Funded EFA, 2006-07 and 2009-10
Ranked by Dollar Change in Per Pupil Funding

District	Poor	\$ PP 2006-07	\$ PP 2009-10	\$ Chg in \$ PP	% Chg \$ PP	\$2.5 Mill. Min. Cty.	\$ Chg. Rank
Bottom 15 Districts							
Florence 4		\$10,303	\$9,817	-\$487	-4.7%		85
Dillon 1	Y	\$9,515	\$9,029	-\$486	-5.1%	Y	84
Spartanburg 4	Y	\$8,570	\$8,491	-\$79	-0.9%		83
Dillon 2	Y	\$8,092	\$8,333	\$241	3.0%	Y	82
Newberry		\$10,536	\$10,790	\$254	2.4%		81
Greenwood 51	Y	\$9,144	\$9,422	\$277	3.0%		80
Darlington		\$9,226	\$9,553	\$327	3.5%		79
Dillon 3	Y	\$8,171	\$8,510	\$339	4.1%	Y	78
Florence 2	Y	\$8,676	\$9,065	\$388	4.5%		77
Florence 5	Y	\$9,637	\$10,085	\$448	4.6%		76
Anderson 3	Y	\$8,215	\$8,708	\$493	6.0%		75
Georgetown		\$9,962	\$10,480	\$518	5.2%		74
Greenville		\$8,702	\$9,225	\$523	6.0%		73
Chester		\$9,154	\$9,688	\$534	5.8%	Y	72
Bamberg 2		\$10,526	\$11,086	\$560	5.3%	Y	71
Top 15 Districts							
Lexington 4	Y	\$8,196	\$9,958	\$1,762	21.5%		15
Dorchester 4		\$10,940	\$12,703	\$1,763	16.1%		14
Lexington 5		\$10,070	\$11,972	\$1,902	18.9%		13
York 1		\$8,459	\$10,384	\$1,924	22.7%		12
Richland 2		\$10,098	\$12,086	\$1,988	19.7%		11
Beaufort		\$10,775	\$12,779	\$2,004	18.6%		10
Hampton 2	Y	\$9,699	\$11,759	\$2,060	21.2%	Y	9
Pickens		\$8,121	\$10,185	\$2,064	25.4%		8
Lee	Y	\$9,460	\$11,637	\$2,177	23.0%	Y	7
Spartanburg 7		\$11,802	\$14,046	\$2,244	19.0%		6
Bamberg 1	Y	\$8,235	\$10,535	\$2,300	27.9%	Y	5
McCormick	Y	\$11,723	\$14,036	\$2,313	19.7%	Y	4
Greenwood 52		\$8,739	\$11,234	\$2,495	28.6%		3
Williamsburg		\$8,093	\$10,882	\$2,788	34.5%	Y	2
Richland 1	Y	\$12,590	\$15,859	\$3,269	26.0%		1
SC Avg./Total							
	26	\$9,309	\$10,485	\$888	9.5%	30	
SC Median							
		\$8,952	\$9,999	\$988	11.6%		

Note: Funding from bonds, leases, and charter schools excluded. County board and vocational center funding is merged with district revenue by ADM, where applicable. Missing or incomplete FY2010 tax relief reimbursement data in reported data was corrected for the following districts: Aiken, Cherokee, Richland 1 and 2, Saluda and York 2.

Source: S.C. Dept. of Education, *South Carolina School Districts Statement of Revenues*, for years ending June 30, 2007 and 2010. (<http://ed.sc.gov/agency/cfo/finance/HistoricalFinanceData.cfm>)

CONCLUSION

It is clear that the intent of Act 388 of 2006 was to maintain the existing level of education funding in South Carolina while providing state sales tax funding to relieve the local property tax burden on homeowners. However, Act 388 caused unanticipated effects, which when combined with unfortunate budget challenges, together significantly altered the level and distribution of state funding to South Carolina school districts. Act 388 also shifted the burden of local funding for schools to commercial and rental property.

Act 388 did slightly increase total state funding for public education between 2006-07 and 2009-10, but by much less than the \$497 million that was raised by the extra penny of sales tax in 2009-10. The average change in funding from state sources since 2006-07 was an increase of \$294 per pupil (median increase was \$57 per pupil). In addition to state-funded property tax relief for homeowners, this small increase in funding from state sources reflected declines in EIA funds, reduced base student cost in EFA, and lower state grants.

More significant, however, was the change in the distribution of state aid among school districts resulting from Act 388. Ten South Carolina school districts had less operating funds per pupil in 2009-10 than in 2006-07, while another six districts had only small increases in funding per pupil—below two percent—over this three year period. Among those fifteen districts at the bottom of the list, seven were poor districts with an assessed property valuation per pupil less than half the state average: Anderson 3, Dillon 1 and 3, Florence 2 and 5, Greenwood 51, and Spartanburg 4.

At the other end of the spectrum, the 29 districts gaining \$1,000 or more per pupil in total funding for school operations for three years after the implementation of Act 388 included only 10 of the 26 poor districts. If only state and local operating funds are considered, the changes are much more striking. Forty districts had fewer dollars per pupil, including 16 of the 26 poor districts, while 45 districts had increased funding per pupil.

Changes in state funding were largely responsible for this redistribution. Thirty-nine of the state's 85 school districts saw actual declines in state funding per pupil between 2006-07 and 2009-10. Another eight districts had increases of less than two percent per year. The 47 districts at the bottom of the state funding list include 20 poor districts. On the gainers' side there were 18 school districts with increases in per pupil funding of ten percent or more over the three year period, topped by Beaufort with a 143 percent increase. Among the districts defined as poor, only two—McCormick and Bamberg 1—were on that favored list.

The provision guaranteeing at least \$2.5 million per county in Act 388 funds contributed substantially to the unequal distribution of funding among poor districts. A more appropriate remedy might be a minimum guarantee per pupil per district rather than per county, because some poor districts are in multidistrict counties.

Act 388 combined with reduced base student cost for EFA share responsibility for this redistribution, which also disproportionately favors property-rich districts. Property tax relief for only the value of homeowner properties in excess of \$100,000 benefits wealthier districts, while EFA is tilted toward poorer districts. This combination magnified the redistributive effects of Act 388.

If South Carolina wishes to be competitive in attracting and retaining industry and to offer opportunities for all of its citizens, it is important that the state's share of education funding be not only adequate but also distributed in an equitable manner among rich and poor districts, so that the quality of a child's education is less dependent on the wealth of the school district in which he or she resides.

More adequate state funding of EFA would have reduced the funding shortfalls districts experienced between 2006-07 and 2009-10. However, that change alone would not have offset the impact of Act 388 on the distribution of the sales tax funds generated from all parts of the state in ways that favored wealthier school districts over poorer ones. The consequences of Act 388 of 2006 suggest that it is perhaps time to take a more comprehensive look at the state's role in funding public education and in promoting equity in funding across districts with unequal needs and unequal resources.

APPENDICES

Appendix A

South Carolina School District Funding, 1994-95 to 2009-10

Appendix B

Assessed Property Value Per Pupil by School District, 2007-08

Appendix C

Per Pupil School Funding for Operations from All Sources, 2006-07 and 2009-10

Appendix D

Per Pupil School Funding for Operations from State & Local Sources Only, 2006-07 and 2009-10

Appendix E

Per Pupil School Funding from State Sources Only, 2006-07 and 2009-10

Appendix F

Per Pupil School Funding from State-Funded Act 388 Homeowner Tax Relief, 2009-10

Appendix G

Per Pupil School Funding from State EFA and Act 388 Homeowner Tax Relief Only, 2006-07 and 2009-10

Appendix H

Per Pupil School Funding from State & Local Sources, including Fully Funded State EFA
(hypothetical example), 2006-07 and 2009-10

Appendix A
South Carolina School District Funding, 1994-95 to 2009-10
(millions of current dollars; revenue from bonds and leases excluded)

	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
Total revenue (bonds, leases excluded)	\$3,324.4	\$3,534.4	\$3,781.1	\$4,071.2	\$4,358.3	\$4,920.7
Revenue from local sources	1,535.0	1,419.3	1,524.0	1,650.2	1,797.1	2,027.8
Current property taxes	1,296.5	1,145.3	1,239.1	1,339.1	1,457.0	1,592.5
Fees and service charges	188.8	206.7	222.6	248.9	254.5	272.2
Miscellaneous	49.7	67.2	62.4	62.2	85.5	163.1
Revenue from state sources	1,495.0	1,818.7	1,955.7	2,087.6	2,211.0	2,496.5
Property tax relief for homeowners	0.0	223.8	232.2	246.8	260.0	273.0
Reimbursements for property tax relief (Tier 1)	0.0	205.3	212.9	224.1	233.4	247.1
Homestead Exemption (Tier 2)	0.0	18.5	19.3	22.7	26.6	25.9
Reimbursements for property tax relief (Tier 3)	0.0	0.0	0.0	0.0	0.0	0.0
\$2.5 million minimum countywide disbursement (Tier 3)	0.0	0.0	0.0	0.0	0.0	0.0
All other state revenue	1,495.0	1,594.9	1,723.4	1,840.7	1,951.0	2,223.6
State-shared taxes (merchants' inventory tax)	0.0	15.0	17.4	18.3	19.5	20.0
Manufacturer's Depreciation Reimbursement	0.0	0.0	0.0	2.3	8.5	13.7
State grants	337.5	345.0	416.2	445.2	456.8	640.1
Education Finance Act (EFA)	858.6	892.5	942.2	1,006.5	1,078.1	1,114.3
Education Improvement Act (EIA)	298.9	342.4	347.6	368.4	388.2	435.5
Education Lottery	0.0	0.0	0.0	0.0	0.0	0.0
Revenue from federal sources	294.4	296.4	301.4	333.4	350.2	396.4

Source: SC Budget and Control Board, Office of Research and Statistics, *Local Government Finance Report*, selected years.

Appendix A, continued
South Carolina School District Funding, 1994-95 to 2009-10
(millions of current dollars; revenue from bonds and leases excluded)

	FY 01	FY 02	FY 03	FY 04	FY 05	FY 06	FY 07	FY 08	FY 09	FY 10
Total revenue (bonds, leases excluded)	\$5,381.7	\$5,612.8	\$5,561.4	\$5,804.4	\$6,091.3	\$6,534.2	\$6,970.0	\$7,583.3	\$7,555.1	\$7,589.6
Revenue from local sources	2,157.7	2,377.8	2,371.9	2,553.3	2,717.8	2,955.3	3,265.3	3,086.6	3,238.5	3,273.4
Current property taxes	1,701.9	1,881.0	2,019.0	2,148.3	2,236.2	2,438.4	2,645.6	2,488.6	2,680.1	2,812.4
Fees and service charges	281.2	249.6	249.0	294.7	366.2	355.0	444.2	438.5	373.4	315.9
Miscellaneous	174.6	247.3	103.9	110.4	115.4	161.9	175.5	159.5	185.0	145.1
Revenue from state sources	2,798.9	2,745.6	2,641.4	2,620.9	2,721.8	2,903.2	3,011.2	3,786.9	3,562.9	3,241.5
Property tax relief for homeowners	295.8	307.3	316.0	318.2	325.9	327.6	333.7	895.0	916.2	950.6
Reimbursements for property tax relief (Tier 1)	236.3	242.4	243.6	241.6	243.4	243.3	243.4	249.1	249.1	249.1
Homestead Exemption (Tier 2)	59.5	64.9	72.4	76.7	82.5	84.3	90.3	80.9	80.9	80.9
Reimbursements for property tax relief (Tier 3)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	535.0	559.2	597.5
\$2.5 million minimum countywide disbursement (Tier 3)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	30.1	27.0	23.2
All other state revenue	2,503.1	2,438.3	2,325.5	2,302.7	2,395.9	2,575.6	2,677.4	2,891.9	2,646.7	2,290.9
State-shared taxes (merchants' inventory tax)	20.5	19.7	19.6	19.6	20.0	19.7	19.7	19.8	19.9	19.3
Manufacturer's Depreciation Reimbursement	16.4	18.7	21.1	20.7	20.2	22.8	22.9	22.6	25.3	27.5
State grants	837.3	843.4	743.8	708.5	654.8	586.1	606.3	704.5	719.0	713.4
Education Finance Act (EFA)	1,145.9	1,083.1	1,027.4	1,026.0	1,088.9	1,361.3	1,422.6	1,520.5	1,332.5	1,072.2
Education Improvement Act (EIA)	483.1	473.4	474.7	473.4	523.9	525.7	547.8	575.9	505.6	418.6
Education Lottery	0.0	0.0	38.9	54.5	88.2	59.9	58.2	48.6	44.5	40.0
Revenue from federal sources	425.0	489.4	548.1	630.1	651.6	675.7	693.5	709.8	753.7	1,074.7

Source: SC Budget and Control Board, Office of Research and Statistics, *Local Government Finance Report*, selected years.

Appendix A, continued
South Carolina School District Funding, 1994-95 to 2009-10
(share of total revenue; revenue from bonds and leases excluded)

	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
Total revenue (bonds, leases excluded)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Revenue from local sources						
Current property taxes	46.2%	40.2%	40.3%	40.5%	41.2%	41.2%
Fees and service charges	39.0%	32.4%	32.8%	32.9%	33.4%	32.4%
Miscellaneous	5.7%	5.8%	5.9%	6.1%	5.8%	5.5%
	1.5%	1.9%	1.6%	1.5%	2.0%	3.3%
Revenue from state sources						
Property tax relief for homeowners	45.0%	51.5%	51.7%	51.3%	50.7%	50.7%
Reimbursements for property tax relief (Tier 1)	0.0%	6.3%	6.1%	6.1%	6.0%	5.5%
Homestead Exemption (Tier 2)	0.0%	5.8%	5.6%	5.5%	5.4%	5.0%
Reimbursements for property tax relief (Tier 3)	0.0%	0.5%	0.5%	0.6%	0.6%	0.5%
\$2.5 million minimum countywide disbursement (Tier 3)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
All other state revenue	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
State-shared taxes (merchants' inventory tax)	45.0%	45.1%	45.6%	45.2%	44.8%	45.2%
Manufacturer's Depreciation Reimbursement	0.0%	0.4%	0.5%	0.4%	0.4%	0.4%
State grants	0.0%	0.0%	0.0%	0.1%	0.2%	0.3%
Education Finance Act (EFA)	10.2%	9.8%	11.0%	10.9%	10.5%	13.0%
Education Improvement Act (EIA)	25.8%	25.3%	24.9%	24.7%	24.7%	22.6%
Education Lottery	9.0%	9.7%	9.2%	9.0%	8.9%	8.8%
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Revenue from federal sources						
	8.9%	8.4%	8.0%	8.2%	8.0%	8.1%

Source: SC Budget and Control Board, Office of Research and Statistics, *Local Government Finance Report*, selected years.

Appendix A, continued
South Carolina School District Funding, 1994-95 to 2009-10
(share of total revenue; revenue from bonds and leases excluded)

	FY 01	FY 02	FY 03	FY 04	FY 05	FY 06	FY 07	FY 08	FY 09	FY 10
Total revenue (bonds, leases excluded)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Revenue from local sources	40.1%	42.4%	42.6%	44.0%	44.6%	45.2%	46.8%	40.7%	42.9%	43.1%
Current property taxes	31.6%	33.5%	36.3%	37.0%	36.7%	37.3%	38.0%	32.8%	35.5%	37.1%
Fees and service charges	5.2%	4.4%	4.5%	5.1%	6.0%	5.4%	6.4%	5.8%	4.9%	4.2%
Miscellaneous	3.2%	4.4%	1.9%	1.9%	1.9%	2.5%	2.5%	2.1%	2.4%	1.9%
Revenue from state sources	52.0%	48.9%	47.5%	45.2%	44.7%	44.4%	43.2%	49.9%	47.2%	42.7%
Property tax relief for homeowners	5.5%	5.5%	5.7%	5.5%	5.4%	5.0%	4.8%	11.8%	12.1%	12.5%
Reimbursements for property tax relief (Tier 1)	4.4%	4.3%	4.4%	4.2%	4.0%	3.7%	3.5%	3.3%	3.3%	3.3%
Homestead Exemption (Tier 2)	1.1%	1.2%	1.3%	1.3%	1.4%	1.3%	1.3%	1.1%	1.1%	1.1%
Reimbursements for property tax relief (Tier 3)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	7.1%	7.4%	7.9%
\$2.5 million minimum countywide disbursement (Tier 3)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.4%	0.4%	0.3%
All other state revenue	46.5%	43.4%	41.8%	39.7%	39.3%	39.4%	38.4%	38.1%	35.0%	30.2%
State-shared taxes (merchants' inventory tax)	0.4%	0.4%	0.4%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%
Manufacturer's Depreciation Reimbursement	0.3%	0.3%	0.4%	0.4%	0.3%	0.3%	0.3%	0.3%	0.3%	0.4%
State grants	15.6%	15.0%	13.4%	12.2%	10.7%	9.0%	8.7%	9.3%	9.5%	9.4%
Education Finance Act (EFA)	21.3%	19.3%	18.5%	17.7%	17.9%	20.8%	20.4%	20.1%	17.6%	14.1%
Education Improvement Act (EIA)	9.0%	8.4%	8.5%	8.2%	8.6%	8.0%	7.9%	7.6%	6.7%	5.5%
Education Lottery	0.0%	0.0%	0.7%	0.9%	1.4%	0.9%	0.8%	0.6%	0.6%	0.5%
Revenue from federal sources	7.9%	8.7%	9.9%	10.9%	10.7%	10.3%	9.9%	9.4%	10.0%	14.2%

Source: SC Budget and Control Board, Office of Research and Statistics, *Local Government Finance Report*, selected years.

Appendix B
Assessed Property Value Per Pupil by District, 2007-08

District	APV 2007-08	Poor	District	APV 2007-08	Poor	District	APV 2007-08	Poor
Beaufort	\$84,314		Lexington 1	\$18,239		Hampton 2	\$11,532	Y
Charleston	\$64,387		Richland 2	\$17,723		Florence 2	\$11,358	Y
Georgetown	\$55,086		Orangeburg 3	\$17,559		Barnwell 19	\$11,345	Y
Horry	\$48,113		Spartanburg 3	\$17,458		Hampton 1	\$11,157	Y
Calhoun	\$48,045		Chester	\$17,456		Bamberg 1	\$10,541	Y
Oconee	\$47,104		Edgefield	\$17,251		Dillon 1	\$10,222	Y
York 2	\$41,876		Sumter 17	\$16,674		Dillon 3	\$10,054	Y
Greenwood 52	\$34,420		Abbeville	\$16,538		Florence 5	\$9,018	Y
Jasper	\$30,893		York 1	\$16,358		Lexington 4	\$8,312	Y
Richland 1	\$29,984		Williamsburg	\$16,171		Clarendon 3	\$6,213	Y
Anderson 4	\$29,405		Anderson 1	\$15,904		McCormick	\$4,337	Y
Clarendon 1	\$28,738		Cherokee	\$15,860				
Greenville	\$27,105		Spartanburg 1	\$15,565				
York 4	\$26,833		Barnwell 29	\$15,356				
Colleton	\$26,202		Laurens 55	\$15,353		<i>SC Average</i>	<i>\$27,487</i>	
Fairfield	\$25,869		Spartanburg 2	\$14,843		<i>SC Median</i>	<i>\$17,251</i>	
Spartanburg 7	\$24,732		Orangeburg 4	\$14,774		<i>50% of SC Avg.</i>	<i>\$13,744</i>	
Pickens	\$24,657		Sumter 2	\$14,275				
Lexington 5	\$24,277		Clarendon 2	\$14,131				
Lexington 2	\$23,872		Bamberg 2	\$14,061				
Berkeley	\$23,695		Florence 4	\$13,878				
York 3	\$22,574		Union	\$13,817				
Spartanburg 5	\$22,326		Chesterfield	\$13,722	Y			
Orangeburg 5	\$21,864		Spartanburg 4	\$13,654	Y			
Lancaster	\$21,808		Anderson 3	\$13,650	Y			
Florence 1	\$21,527		Marlboro	\$12,988	Y			
Spartanburg 6	\$21,215		Lee	\$12,974	Y			
Aiken	\$20,723		Laurens 56	\$12,878	Y			
Dorchester 4	\$20,723		Anderson 2	\$12,859	Y			
Anderson 5	\$19,677		Dillon 2	\$12,804	Y			
Kershaw	\$19,392		Marion 1	\$12,793	Y			
Darlington	\$19,275		Allendale	\$12,657	Y			
Greenwood 50	\$19,057		Marion 7	\$12,599	Y			
Saluda	\$18,967		Greenwood 51	\$12,219	Y			
Dorchester 2	\$18,796		Florence 3	\$11,688	Y			
Newberry	\$18,670		Marion 2	\$11,662	Y			
Lexington 3	\$18,542		Barnwell 45	\$11,543	Y			

Source: S.C. Dept. of Education, *Rankings of the Counties and School Districts of South Carolina*, 2009 ed., August 2011, table 59.

Appendix C
Per Pupil School Funding for Operations, 2006-07 and 2009-10 (ranked by dollar change in per pupil funding)

District	\$ PP 2006-07	\$ PP 2009-10	\$ Chg in \$ PP	% Chg \$ PP	\$ Chg Rank	% Chg Rank	Poor
Spartanburg 4	\$9,271	\$8,569	-\$702	-7.6%	85	85	Y
Dillon 1	\$10,899	\$10,393	-\$507	-4.6%	84	84	Y
Florence 4	\$11,912	\$11,497	-\$415	-3.5%	83	83	
Greenwood 51	\$10,182	\$9,877	-\$305	-3.0%	82	82	Y
Florence 5	\$10,684	\$10,543	-\$142	-1.3%	81	81	Y
Newberry	\$11,776	\$11,660	-\$116	-1.0%	80	80	
Florence 2	\$9,741	\$9,654	-\$87	-0.9%	79	79	Y
Darlington	\$10,510	\$10,469	-\$41	-0.4%	78	78	
Chester	\$10,482	\$10,450	-\$32	-0.3%	77	77	
Dillon 3	\$9,444	\$9,440	-\$3	0.0%	76	76	Y
Anderson 3	\$9,214	\$9,225	\$11	0.1%	75	75	Y
York 4	\$10,620	\$10,665	\$45	0.4%	74	74	
Greenville	\$9,508	\$9,582	\$74	0.8%	73	73	
Bamberg 2	\$12,696	\$12,824	\$128	1.0%	72	72	
Cherokee	\$10,045	\$10,182	\$137	1.4%	71	71	
Greenwood 50	\$10,442	\$10,602	\$160	1.5%	70	70	
Dillon 2	\$9,663	\$9,937	\$274	2.8%	69	68	Y
Lexington 3	\$11,982	\$12,257	\$274	2.3%	68	69	
Anderson 5	\$9,702	\$9,995	\$294	3.0%	67	67	
Union	\$9,084	\$9,428	\$344	3.8%	66	66	
Anderson 2	\$8,937	\$9,288	\$351	3.9%	65	65	Y
Orangeburg 4	\$10,035	\$10,470	\$435	4.3%	64	63	
Clarendon 2	\$9,522	\$9,959	\$437	4.6%	63	61	
Spartanburg 5	\$11,161	\$11,611	\$449	4.0%	62	64	
Lexington 2	\$10,010	\$10,489	\$479	4.8%	61	59	
Marion 2	\$10,593	\$11,085	\$492	4.6%	60	60	Y
Clarendon 3	\$9,041	\$9,539	\$499	5.5%	59	56	Y
Lexington 1	\$10,648	\$11,167	\$519	4.9%	58	58	
Laurens 55	\$9,034	\$9,555	\$521	5.8%	57	54	
Anderson 1	\$8,330	\$8,852	\$521	6.3%	56	48	
Jasper	\$11,803	\$12,325	\$522	4.4%	55	62	
Dorchester 2	\$8,410	\$8,970	\$559	6.7%	54	43	
Kershaw	\$9,566	\$10,131	\$565	5.9%	53	51	
Barnwell 29	\$10,067	\$10,650	\$583	5.8%	52	53	
York 3	\$9,695	\$10,279	\$583	6.0%	51	49	
Barnwell 45	\$9,639	\$10,244	\$605	6.3%	50	47	Y
Berkeley	\$9,746	\$10,363	\$617	6.3%	49	46	

Appendix C, continued
Per Pupil School Funding for Operations, 2006-07 and 2009-10 (ranked by dollar change in per pupil funding)

District	\$ PP 2006-07	\$ PP 2009-10	\$ Chg in \$ PP	% Chg \$ PP	\$ Chg Rank	% Chg Rank	Poor
Georgetown	\$11,112	\$11,750	\$638	5.7%	48	55	
Aiken	\$8,442	\$9,099	\$657	7.8%	47	38	
Marion 1	\$9,676	\$10,345	\$669	6.9%	46	42	Y
Fairfield	\$13,747	\$14,436	\$689	5.0%	45	57	
Spartanburg 3	\$10,854	\$11,556	\$702	6.5%	44	45	
Charleston	\$11,975	\$12,685	\$710	5.9%	43	50	
Orangeburg 3	\$12,305	\$13,019	\$714	5.8%	42	52	
Lancaster	\$9,346	\$10,063	\$717	7.7%	41	40	
Anderson 4	\$11,143	\$11,878	\$735	6.6%	40	44	
Spartanburg 6	\$9,612	\$10,371	\$760	7.9%	39	37	
Sumter 17	\$9,117	\$9,907	\$790	8.7%	38	34	
Colleton	\$10,384	\$11,181	\$797	7.7%	37	39	
Sumter 2	\$9,250	\$10,050	\$799	8.6%	36	35	
Florence 3	\$10,090	\$10,893	\$803	8.0%	35	36	Y
Saluda	\$9,464	\$10,329	\$865	9.1%	34	33	
Calhoun	\$12,807	\$13,711	\$904	7.1%	33	41	
Spartanburg 2	\$8,331	\$9,265	\$935	11.2%	32	28	
Chesterfield	\$8,977	\$9,946	\$969	10.8%	31	29	Y
Marlboro	\$9,843	\$10,840	\$997	10.1%	30	30	Y
Oconee	\$11,174	\$12,196	\$1,022	9.1%	29	32	
Abbeville	\$9,473	\$10,571	\$1,097	11.6%	28	25	
Hampton 1	\$9,299	\$10,402	\$1,103	11.9%	27	22	Y
Florence 1	\$9,610	\$10,745	\$1,135	11.8%	26	23	
Allendale	\$12,773	\$14,015	\$1,241	9.7%	25	31	Y
Lexington 4	\$9,621	\$10,935	\$1,314	13.7%	24	17	Y
Lexington 5	\$10,594	\$11,919	\$1,325	12.5%	23	21	
Orangeburg 5	\$11,887	\$13,225	\$1,338	11.3%	22	27	
Edgefield	\$9,456	\$10,831	\$1,375	14.5%	21	15	
York 2	\$11,824	\$13,216	\$1,392	11.8%	20	24	
Richland 2	\$10,760	\$12,160	\$1,401	13.0%	19	19	
Spartanburg 1	\$9,948	\$11,354	\$1,406	14.1%	18	16	
Horry	\$11,095	\$12,539	\$1,443	13.0%	17	20	
York 1	\$9,427	\$10,928	\$1,501	15.9%	16	11	
Williamsburg	\$10,173	\$11,706	\$1,533	15.1%	15	14	
Laurens 56	\$10,096	\$11,666	\$1,571	15.6%	14	12	Y
Marion 7	\$13,688	\$15,272	\$1,584	11.6%	13	26	Y
Dorchester 4	\$12,519	\$14,189	\$1,669	13.3%	12	18	

Appendix C, continued
Per Pupil School Funding for Operations, 2006-07 and 2009-10 (ranked by dollar change in per pupil funding)

District	\$ PP 2006-07	\$ PP 2009-10	\$ Chg in \$ PP	% Chg \$ PP	\$ Chg Rank	% Chg Rank	Poor
Lee	\$11,267	\$13,000	\$1,733	15.4%	11	13	Y
Pickens	\$8,888	\$10,649	\$1,761	19.8%	10	5	
Bamberg 1	\$9,745	\$11,587	\$1,842	18.9%	9	7	Y
Greenwood 52	\$9,399	\$11,279	\$1,880	20.0%	8	4	
Barnwell 19	\$11,488	\$13,482	\$1,994	17.4%	7	9	Y
Beaufort	\$11,900	\$14,000	\$2,100	17.7%	6	8	
Spartanburg 7	\$13,274	\$15,401	\$2,128	16.0%	5	10	
Hampton 2	\$11,541	\$13,903	\$2,362	20.5%	4	2	Y
Clarendon 1	\$13,165	\$15,821	\$2,656	20.2%	3	3	
Richland 1	\$14,051	\$16,747	\$2,696	19.2%	2	6	
McCormick	\$13,538	\$16,519	\$2,981	22.0%	1	1	Y
<i>SC Average/Total</i>	<i>\$10,330</i>	<i>\$11,161</i>	<i>\$830</i>		<i>8.0%</i>		<i>26</i>
<i>SC Median</i>	<i>\$10,090</i>	<i>\$10,831</i>	<i>\$710</i>		<i>6.7%</i>		<i>n.a.</i>

Note: Funding from bonds, leases, and charter schools excluded. County board and vocational center funding is merged with district revenue by average daily membership, where applicable. Missing or incomplete FY2010 tax relief reimbursement data in reported data was corrected for the following districts: Aiken, Cherokee, Richland 1 and 2, Saluda and York 2.

Source: S.C. Dept. of Education, *South Carolina School Districts Statement of Revenues*, for years ending June 30, 2007 and 2010.

<http://ed.sc.gov/agency/cfo/finance/HistoricalFinanceData.cfm>

**Appendix D. Per Pupil School Funding for Operations from State & Local Sources Only, 2006-07 and 2009-10
(ranked by dollar change in per pupil funding)**

District	\$ PP 2006-07	\$ PP 2009-10	\$ Chg in \$ PP	% Chg \$ PP	\$ Chg Rank	% Chg Rank	Poor
Dillon 1	\$9,515	\$7,841	-\$1,674	-17.6%	85	85	Y
Florence 4	\$10,303	\$8,852	-\$1,452	-14.1%	84	84	
Spartanburg 4	\$8,570	\$7,398	-\$1,172	-13.7%	83	83	Y
Greenwood 51	\$9,144	\$8,263	-\$882	-9.6%	82	80	Y
Dillon 2	\$8,092	\$7,225	-\$867	-10.7%	81	82	Y
Dillon 3	\$8,171	\$7,344	-\$827	-10.1%	80	81	Y
Florence 2	\$8,676	\$7,858	-\$818	-9.4%	79	79	Y
Florence 5	\$9,637	\$8,857	-\$780	-8.1%	78	78	Y
Darlington	\$9,226	\$8,485	-\$741	-8.0%	77	77	
Newberry	\$10,536	\$9,798	-\$739	-7.0%	76	75	
Anderson 3	\$8,215	\$7,580	-\$635	-7.7%	75	76	Y
Bamberg 2	\$10,526	\$9,961	-\$565	-5.4%	74	74	
Chester	\$9,154	\$8,663	-\$491	-5.4%	73	73	
Greenville	\$8,702	\$8,272	-\$430	-4.9%	72	72	
Greenwood 50	\$9,485	\$9,077	-\$408	-4.3%	71	71	
Anderson 2	\$8,093	\$7,755	-\$338	-4.2%	70	70	Y
York 4	\$10,235	\$9,916	-\$319	-3.1%	69	64	
Clarendon 3	\$8,065	\$7,748	-\$317	-3.9%	68	69	Y
Barnwell 29	\$8,841	\$8,528	-\$313	-3.5%	67	68	
Cherokee	\$8,956	\$8,646	-\$310	-3.5%	66	66	
Marlboro	\$8,201	\$7,912	-\$289	-3.5%	65	67	Y
Laurens 55	\$7,954	\$7,688	-\$266	-3.3%	64	65	
Marion 7	\$11,228	\$10,965	-\$263	-2.3%	63	57	Y
Orangeburg 4	\$8,883	\$8,627	-\$256	-2.9%	62	63	
Orangeburg 3	\$10,697	\$10,445	-\$252	-2.4%	61	58	
Barnwell 45	\$8,648	\$8,409	-\$239	-2.8%	60	62	Y
Anderson 5	\$8,680	\$8,466	-\$214	-2.5%	59	59	
Florence 3	\$7,844	\$7,631	-\$212	-2.7%	58	61	Y
Union	\$7,969	\$7,758	-\$212	-2.7%	57	60	
Marion 2	\$8,485	\$8,310	-\$175	-2.1%	56	56	Y
Lexington 2	\$9,077	\$8,913	-\$164	-1.8%	55	55	
Lexington 3	\$10,698	\$10,584	-\$114	-1.1%	54	54	
Anderson 1	\$7,760	\$7,685	-\$75	-1.0%	53	53	
Lancaster	\$8,193	\$8,130	-\$63	-0.8%	52	52	
Clarendon 2	\$7,792	\$7,741	-\$50	-0.6%	51	51	
Saluda	\$8,397	\$8,354	-\$44	-0.5%	50	50	
Marion 1	\$8,105	\$8,068	-\$37	-0.5%	49	49	Y

**Appendix D, continued. Per Pupil School Funding from State & Local Sources Only, 2006-07 and 2009-10
(ranked by dollar change in per pupil funding)**

District	\$ PP 2006-07	\$ PP 2009-10	\$ Chg in \$ PP	% Chg \$ PP	\$ Chg Rank	% Chg Rank	Poor
York 3	\$9,018	\$8,984	-\$35	-0.4%	48	47	
Dorchester 2	\$7,874	\$7,842	-\$32	-0.4%	47	48	
Spartanburg 5	\$10,484	\$10,480	-\$3	0.0%	46	46	
Calhoun	\$11,461	\$11,476	\$15	0.1%	45	45	
Sumter 2	\$7,822	\$7,851	\$29	0.4%	44	44	
Aiken	\$7,502	\$7,535	\$33	0.4%	43	43	
Spartanburg 3	\$9,995	\$10,055	\$60	0.6%	42	42	
Berkeley	\$8,823	\$8,890	\$67	0.8%	41	40	
Kershaw	\$8,662	\$8,732	\$71	0.8%	40	39	
Colleton	\$8,828	\$8,900	\$72	0.8%	39	38	
Lexington 1	\$10,075	\$10,151	\$75	0.7%	38	41	
Jasper	\$10,168	\$10,254	\$86	0.8%	37	37	
Anderson 4	\$10,205	\$10,306	\$101	1.0%	36	36	
Sumter 17	\$7,678	\$7,802	\$124	1.6%	35	34	
Georgetown	\$9,962	\$10,101	\$139	1.4%	34	35	
Barnwell 19	\$9,511	\$9,665	\$154	1.6%	33	33	Y
Orangeburg 5	\$10,399	\$10,568	\$169	1.6%	32	32	
Chesterfield	\$7,899	\$8,093	\$195	2.5%	31	30	Y
Spartanburg 6	\$8,952	\$9,170	\$218	2.4%	30	31	
Hampton 1	\$8,024	\$8,289	\$265	3.3%	29	29	Y
Abbeville	\$8,416	\$8,711	\$295	3.5%	28	28	
Charleston	\$10,674	\$11,093	\$419	3.9%	27	26	
Laurens 56	\$8,575	\$8,995	\$420	4.9%	26	24	Y
Allendale	\$10,784	\$11,211	\$427	4.0%	25	25	Y
Florence 1	\$8,521	\$8,950	\$429	5.0%	24	23	
Spartanburg 2	\$7,687	\$8,130	\$443	5.8%	23	20	
Fairfield	\$12,197	\$12,653	\$456	3.7%	22	27	
Edgefield	\$8,514	\$9,035	\$521	6.1%	21	19	
Oconee	\$10,242	\$10,790	\$548	5.3%	20	22	
Lexington 4	\$8,196	\$8,748	\$553	6.7%	19	17	Y
Clarendon 1	\$11,201	\$11,802	\$600	5.4%	18	21	
Spartanburg 1	\$9,200	\$9,807	\$607	6.6%	17	18	
Dorchester 4	\$10,940	\$11,770	\$830	7.6%	16	16	
York 1	\$8,459	\$9,300	\$840	9.9%	15	10	
Lee	\$9,460	\$10,336	\$877	9.3%	14	13	Y
Hampton 2	\$9,699	\$10,575	\$877	9.0%	13	14	Y
Lexington 5	\$10,070	\$11,017	\$947	9.4%	12	12	

**Appendix D, continued. Per Pupil School Funding from State & Local Sources Only, 2006-07 and 2009-10
(ranked by dollar change in per pupil funding)**

District	\$ PP 2006-07	\$ PP 2009-10	\$ Chg in \$ PP	% Chg \$ PP	\$ Chg Rank	% Chg Rank	Poor
Richland 2	\$10,098	\$11,051	\$954	9.4%	11	11	
York 2	\$11,321	\$12,288	\$966	8.5%	10	15	
Horry	\$10,162	\$11,180	\$1,018	10.0%	9	9	
Pickens	\$8,121	\$9,220	\$1,099	13.5%	8	7	
Bamberg 1	\$8,235	\$9,366	\$1,131	13.7%	7	6	Y
Spartanburg 7	\$11,802	\$13,087	\$1,285	10.9%	6	8	
Williamsburg	\$8,093	\$9,481	\$1,388	17.1%	5	4	
Greenwood 52	\$8,739	\$10,414	\$1,675	19.2%	4	1	
McCormick	\$11,723	\$13,455	\$1,733	14.8%	3	5	Y
Beaufort	\$10,775	\$12,779	\$2,004	18.6%	2	3	
Richland 1	\$12,590	\$14,951	\$2,361	18.8%	1	2	
<i>SC Average/Total</i>	<i>\$9,309</i>	<i>\$9,597</i>	<i>\$288</i>	<i>5.8%</i>			<i>26</i>
<i>SC Median</i>	<i>\$8,952</i>	<i>\$8,950</i>	<i>\$33</i>	<i>0.4%</i>			<i>n.a.</i>

Note: Funding from bonds, leases, and charter schools excluded. County board and vocational center funding is merged with district revenue by ADM, where applicable. Missing or incomplete FY2010 tax relief reimbursement data in reported data was corrected for the following districts: Aiken, Cherokee, Richland 1 and 2, Saluda and York 2.

Source: S.C. Dept. of Education, *South Carolina School Districts Statement of Revenues*, for years ending June 30, 2007 and 2010.

<http://ed.sc.gov/agency/cfo/finance/HistoricalFinanceData.cfm>

Appendix E. Per Pupil School Funding from State Sources Only, 2006-07 and 2009-10
(ranked by dollar change in per pupil funding)

District	\$ PP 2006-07	\$ PP 2009-10	\$ Chg in \$ PP	% Chg \$ PP	\$ Chg Rank	% Chg Rank	Poor
Florence 4	\$6,610	\$5,113	-\$1,497	-22.6%	85	85	
Dillon 1	\$5,852	\$5,130	-\$722	-12.3%	84	84	Y
Clarendon 2	\$5,484	\$4,859	-\$625	-11.4%	83	82	
Colleton	\$5,101	\$4,502	-\$599	-11.7%	82	83	
Barnwell 45	\$5,766	\$5,173	-\$593	-10.3%	81	81	Y
Orangeburg 3	\$5,832	\$5,240	-\$593	-10.2%	80	80	
Barnwell 19	\$6,092	\$5,579	-\$512	-8.4%	79	77	Y
Clarendon 1	\$5,985	\$5,528	-\$457	-7.6%	78	74	
Marlboro	\$5,670	\$5,238	-\$433	-7.6%	77	73	Y
Darlington	\$4,845	\$4,429	-\$417	-8.6%	76	78	
Dillon 3	\$5,068	\$4,655	-\$413	-8.1%	75	76	Y
Barnwell 29	\$5,513	\$5,116	-\$397	-7.2%	74	72	
Orangeburg 4	\$5,065	\$4,669	-\$396	-7.8%	73	75	
Dillon 2	\$5,270	\$4,901	-\$369	-7.0%	72	71	Y
Horry	\$3,666	\$3,330	-\$336	-9.2%	71	79	
Anderson 3	\$4,986	\$4,683	-\$302	-6.1%	70	70	Y
Allendale	\$7,240	\$6,941	-\$299	-4.1%	69	67	Y
Marion 7	\$7,650	\$7,359	-\$291	-3.8%	68	65	Y
Florence 2	\$5,324	\$5,056	-\$269	-5.0%	67	69	Y
Clarendon 3	\$5,400	\$5,145	-\$256	-4.7%	66	68	Y
Greenwood 51	\$5,525	\$5,321	-\$204	-3.7%	65	64	Y
Jasper	\$5,060	\$4,866	-\$195	-3.8%	64	66	
Florence 5	\$5,333	\$5,140	-\$193	-3.6%	63	63	Y
Anderson 2	\$4,898	\$4,744	-\$154	-3.1%	62	62	Y
Chesterfield	\$4,969	\$4,839	-\$129	-2.6%	61	61	Y
Aiken	\$4,528	\$4,413	-\$115	-2.5%	60	60	
Sumter 2	\$4,935	\$4,837	-\$98	-2.0%	59	58	
Anderson 5	\$4,565	\$4,470	-\$95	-2.1%	58	59	
Lexington 4	\$5,434	\$5,341	-\$93	-1.7%	57	57	Y
Cherokee	\$4,812	\$4,748	-\$64	-1.3%	56	56	
Marion 1	\$5,297	\$5,236	-\$61	-1.2%	55	54	Y
Orangeburg 5	\$5,504	\$5,449	-\$55	-1.0%	54	52	
Lancaster	\$4,694	\$4,643	-\$52	-1.1%	53	53	
Georgetown	\$3,892	\$3,845	-\$47	-1.2%	52	55	
Laurens 55	\$5,035	\$5,012	-\$23	-0.5%	51	50	
Lexington 2	\$4,880	\$4,857	-\$23	-0.5%	50	51	
Spartanburg 4	\$4,654	\$4,635	-\$19	-0.4%	49	49	Y

**Appendix E, continued. Per Pupil School Funding from State Sources Only, 2006-07 and 2009-10
(ranked by dollar change in per pupil funding)**

District	\$ PP 2006-07	\$ PP 2009-10	\$ Chg in \$ PP	% Chg \$ PP	\$ Chg Rank	% Chg Rank	Poor
Marion 2	\$5,433	\$5,425	-\$8	-0.2%	48	48	Y
Edgefield	\$5,184	\$5,183	-\$1	0.0%	47	47	
Florence 3	\$5,490	\$5,500	\$9	0.2%	46	46	Y
Chester	\$5,024	\$5,048	\$24	0.5%	45	45	
Spartanburg 3	\$4,974	\$5,004	\$30	0.6%	44	44	
Newberry	\$5,196	\$5,253	\$57	1.1%	43	42	
Union	\$5,375	\$5,433	\$58	1.1%	42	43	
Anderson 1	\$4,376	\$4,438	\$62	1.4%	41	40	
Sumter 17	\$4,839	\$4,922	\$83	1.7%	40	39	
Bamberg 2	\$6,627	\$6,712	\$85	1.3%	39	41	
Kershaw	\$4,817	\$4,924	\$107	2.2%	38	36	
Dorchester 4	\$5,375	\$5,484	\$109	2.0%	37	38	
Greenwood 50	\$4,739	\$4,870	\$132	2.8%	36	34	
Fairfield	\$4,893	\$5,025	\$132	2.7%	35	35	
Hampton 2	\$6,639	\$6,776	\$137	2.1%	34	37	Y
Pickens	\$4,350	\$4,497	\$147	3.4%	33	33	
Greenville	\$4,213	\$4,400	\$187	4.4%	32	32	
Spartanburg 6	\$4,398	\$4,646	\$248	5.6%	31	30	
Laurens 56	\$5,314	\$5,570	\$256	4.8%	30	31	Y
Hampton 1	\$5,422	\$5,731	\$310	5.7%	29	28	Y
Saluda	\$5,173	\$5,484	\$312	6.0%	28	27	
Berkeley	\$4,507	\$4,827	\$320	7.1%	27	25	
Spartanburg 7	\$5,571	\$5,927	\$356	6.4%	26	26	
York 1	\$4,690	\$5,072	\$382	8.2%	25	23	
Lee	\$6,742	\$7,126	\$384	5.7%	24	29	Y
Oconee	\$3,993	\$4,379	\$386	9.7%	23	19	
Dorchester 2	\$4,305	\$4,694	\$389	9.0%	22	21	
Abbeville	\$5,356	\$5,746	\$390	7.3%	21	24	
Lexington 3	\$5,270	\$5,711	\$440	8.4%	20	22	
York 3	\$4,529	\$4,983	\$454	10.0%	19	18	
Florence 1	\$4,551	\$5,019	\$468	10.3%	18	17	
Anderson 4	\$4,183	\$4,691	\$508	12.1%	17	16	
Calhoun	\$5,529	\$6,047	\$519	9.4%	16	20	
Spartanburg 2	\$4,404	\$4,974	\$570	12.9%	15	15	
Charleston	\$3,170	\$3,756	\$586	18.5%	14	11	
Bamberg 1	\$5,401	\$6,113	\$712	13.2%	13	14	Y
Richland 1	\$4,948	\$5,710	\$762	15.4%	12	13	

**Appendix E, continued. Per Pupil School Funding from State Sources Only, 2006-07 and 2009-10
(ranked by dollar change in per pupil funding)**

District	\$ PP 2006-07	\$ PP 2009-10	Chg in \$ PP	% Chg in \$ PP	\$ Chg Rank	% Chg Rank	Poor
York 4	\$4,081	\$4,872	\$791	19.4%	11	8	
Lexington 1	\$4,634	\$5,499	\$865	18.7%	10	10	
Richland 2	\$4,655	\$5,544	\$889	19.1%	9	9	
Williamsburg	\$5,322	\$6,221	\$898	16.9%	8	12	
Spartanburg 1	\$4,827	\$5,770	\$943	19.5%	7	7	
Spartanburg 5	\$4,062	\$5,181	\$1,119	27.6%	6	6	
York 2	\$3,265	\$4,390	\$1,125	34.4%	5	4	
Greenwood 52	\$3,406	\$4,769	\$1,362	40.0%	4	3	
Lexington 5	\$4,650	\$6,023	\$1,373	29.5%	3	5	
Beaufort	\$1,526	\$3,709	\$2,183	143.0%	2	1	
McCormick	\$5,155	\$7,857	\$2,701	52.4%	1	2	Y
SC Average/Total	\$4,476	\$4,769	\$294	5.8%			26
SC Median	\$5,035	\$5,056	\$57	1.1%			n.a.

Note: Funding from bonds, leases, and charter schools excluded. County board and vocational center funding is merged with district revenue by ADM, where applicable. Missing or incomplete FY2010 tax relief reimbursement data in reported data was corrected for the following districts: Aiken, Cherokee, Richland 1 and 2, Saluda and York 2.

Source: S.C. Dept. of Education, *South Carolina School Districts Statement of Revenues*, for years ending June 30, 2007 and 2010.

<http://ed.sc.gov/agency/cfo/finance/HistoricalFinanceData.cfm>

Appendix F. Per Pupil School Funding from State-Funded Act 388 Homeowner Tax Relief, 2009-10
(ranked by funding per pupil)

District	APV PP 2007–08	Poor	Tier 3 Tax Relief PP	\$2.5 Million County Minimum	Rank APV PP
Orangeburg 4	\$14,774		\$198		85
Anderson 3	\$13,650	Y	\$301		84
Florence 4	\$13,878		\$306		83
Chesterfield	\$13,722	Y	\$327	Y	82
Florence 3	\$11,688	Y	\$338		81
Orangeburg 3	\$17,559		\$349		80
Dillon 2	\$12,804	Y	\$357	Y	79
Dillon 3	\$10,054	Y	\$363	Y	78
Darlington	\$19,275		\$373		77
Laurens 56	\$12,878	Y	\$378		76
Florence 5	\$9,018	Y	\$380		75
Florence 2	\$11,358	Y	\$383		74
Marion 1	\$12,793	Y	\$410	Y	73
Dillon 1	\$10,222	Y	\$411	Y	72
Colleton	\$26,202		\$417	Y	71
Marion 2	\$11,662	Y	\$421	Y	70
Clarendon 3	\$6,213	Y	\$426	Y	69
Laurens 55	\$15,353		\$433		68
Anderson 2	\$12,859	Y	\$433		67
Lexington 2	\$23,872		\$453		66
Chester	\$17,456		\$470	Y	65
Cherokee	\$15,860		\$484		64
Clarendon 2	\$14,131		\$487	Y	63
Williamsburg	\$16,171		\$499	Y	62
Sumter 2	\$14,275		\$524		61
Lexington 4	\$8,312	Y	\$533		60
Orangeburg 5	\$21,864		\$535		59
Barnwell 29	\$15,356		\$536	Y	58
Barnwell 19	\$11,345	Y	\$537	Y	57
Spartanburg 4	\$13,654	Y	\$541		56
Greenwood 51	\$12,219	Y	\$547		55
Sumter 17	\$16,674		\$559		54
Spartanburg 3	\$17,458		\$569		53
Union	\$13,817		\$573	Y	52
Marlboro	\$12,988	Y	\$573	Y	51
Anderson 1	\$15,904		\$590		50
Lancaster	\$21,808		\$599		49

**Appendix F, continued. Per Pupil School Funding from State-Funded Act 388 Homeowner Tax Relief, 2009-10
(ranked by funding per pupil)**

District	APV PP 2007–08	Poor District	Tier 3 Tax Relief PP	\$2.5 Million County Minimum	Rank APV PP
Greenwood 50	\$19,057		\$603		48
Pickens	\$24,657		\$607		47
Clarendon 1	\$28,738		\$610	Y	46
Aiken	\$20,723		\$615		45
Barnwell 45	\$11,543	Y	\$641	Y	44
Kershaw	\$19,392		\$669		43
Hampton 1	\$11,157	Y	\$676	Y	42
Anderson 5	\$19,677		\$689		41
Edgefield	\$17,251		\$690		40
Greenville	\$27,105		\$707		39
Horry	\$48,113		\$769		38
Newberry	\$18,670		\$790		37
Jasper	\$30,893		\$792	Y	36
Marion 7	\$12,599	Y	\$797	Y	35
Spartanburg 6	\$21,215		\$800		34
Abbeville	\$16,538		\$821	Y	33
York 1	\$16,358		\$833		32
Florence 1	\$21,527		\$838		31
Hampton 2	\$11,532	Y	\$842	Y	30
Fairfield	\$25,869		\$847	Y	29
Spartanburg 7	\$24,732		\$861		28
Berkeley	\$23,695		\$870		27
York 3	\$22,574		\$921		26
Oconee	\$47,104		\$925		25
Greenwood 52	\$34,420		\$950		24
Anderson 4	\$29,405		\$957		23
Dorchester 2	\$18,796		\$957		22
Spartanburg 2	\$14,843		\$969		21
Georgetown	\$55,086		\$996		20
Dorchester 4	\$20,723		\$1,036		19
Lexington 3	\$18,542		\$1,038		18
Lee	\$12,974	Y	\$1,059	Y	17
Bamberg 1	\$10,541	Y	\$1,164	Y	16
Bamberg 2	\$14,061		\$1,173	Y	15
Saluda	\$18,967		\$1,207	Y	14
Richland 1	\$29,984		\$1,233		13
York 4	\$26,833		\$1,333		12

**Appendix F, continued. Per Pupil School Funding from State-Funded Act 388 Homeowner Tax Relief, 2009-10
(ranked by funding per pupil)**

District	APV PP 2007–08	Poor District	Tier 3 Tax Relief PP	\$2.5 Million County Minimum	Rank APV PP
York 2	\$41,876		\$1,364		11
Spartanburg 1	\$15,565		\$1,397		10
Spartanburg 5	\$22,326		\$1,483		9
Richland 2	\$17,723		\$1,491		8
Lexington 1	\$18,239		\$1,508		7
Charleston	\$64,387		\$1,528		6
Calhoun	\$48,045		\$1,533	Y	5
Allendale	\$12,657	Y	\$1,641	Y	4
Lexington 5	\$24,277		\$1,677		3
Beaufort	\$84,314		\$2,152		2
McCormick	\$4,337	Y	\$3,034	Y	1
<i>SC Average/Total</i>	<i>\$27,487</i>	<i>26</i>	<i>\$911</i>	<i>30</i>	
<i>SC Median</i>	<i>\$17,251</i>	<i>--</i>	<i>\$669</i>	<i>--</i>	

Note: Funding from bonds, leases, and charter schools excluded. County board and vocational center funding is merged with district revenue by ADM, where applicable. Missing or incomplete FY2010 tax relief reimbursement data in reported data was corrected for the following districts: Aiken, Cherokee, Richland 1 and 2, Saluda and York 2.

Source: S.C. Dept. of Education, *South Carolina School Districts Statement of Revenues*, for years ending June 30, 2007 and 2010.

<http://ed.sc.gov/agency/cfo/finance/HistoricalFinanceData.cfm>

Appendix G. Per Pupil School Funding from State EFA + Act 388 Tax Relief Only, 2006-07 and 2009-10
(ranked by dollar change in per pupil funding)

District	Poor	\$ PP 2006-07	\$ PP 2009-10	\$ Chg in \$ PP	% Chg \$ PP	\$ Chg Rank	\$2.5 Mill. Min. Cty.
Colleton		\$2,250	\$1,878	(\$371)	-16.5%	85	Y
Orangeburg 4		\$2,412	\$2,099	(\$313)	-13.0%	84	
Florence 4		\$2,309	\$2,000	(\$308)	-13.3%	83	
Orangeburg 3		\$2,397	\$2,128	(\$269)	-11.2%	82	
Anderson 3	Y	\$2,495	\$2,282	(\$214)	-8.6%	81	
Clarendon 3	Y	\$2,750	\$2,540	(\$210)	-7.6%	80	Y
Horry		\$1,700	\$1,491	(\$209)	-12.3%	79	
Florence 5	Y	\$2,741	\$2,537	(\$204)	-7.5%	78	
Dillon 3	Y	\$2,606	\$2,411	(\$196)	-7.5%	77	Y
Dillon 2	Y	\$2,496	\$2,304	(\$192)	-7.7%	76	Y
Chesterfield	Y	\$2,454	\$2,262	(\$191)	-7.8%	75	Y
Florence 3	Y	\$2,546	\$2,355	(\$191)	-7.5%	74	
Marion 2	Y	\$2,609	\$2,438	(\$171)	-6.6%	73	Y
Laurens 56	Y	\$2,544	\$2,389	(\$155)	-6.1%	72	
Florence 2	Y	\$2,657	\$2,502	(\$155)	-5.8%	71	
Barnwell 19	Y	\$2,725	\$2,574	(\$151)	-5.5%	70	Y
Dillon 1	Y	\$2,632	\$2,497	(\$135)	-5.1%	69	Y
Marion 1	Y	\$2,553	\$2,420	(\$133)	-5.2%	68	Y
Clarendon 2		\$2,549	\$2,417	(\$132)	-5.2%	67	Y
Anderson 2	Y	\$2,553	\$2,436	(\$116)	-4.6%	66	
Darlington		\$2,354	\$2,248	(\$106)	-4.5%	65	
Clarendon 1		\$1,988	\$1,899	(\$89)	-4.5%	64	Y
Sumter 2		\$2,528	\$2,440	(\$88)	-3.5%	63	
Lexington 4	Y	\$2,731	\$2,657	(\$74)	-2.7%	62	
Chester		\$2,333	\$2,270	(\$63)	-2.7%	61	Y
Barnwell 29		\$2,548	\$2,485	(\$63)	-2.5%	60	Y
Laurens 55		\$2,460	\$2,401	(\$59)	-2.4%	59	
Orangeburg 5		\$2,267	\$2,238	(\$29)	-1.3%	58	
Sumter 17		\$2,435	\$2,437	\$1	0.1%	57	
Union		\$2,565	\$2,578	\$13	0.5%	56	Y
Greenwood 51	Y	\$2,566	\$2,583	\$17	0.7%	55	
Lancaster		\$2,356	\$2,382	\$27	1.1%	54	
Marlboro	Y	\$2,523	\$2,550	\$27	1.1%	53	Y
Lexington 2		\$2,120	\$2,150	\$31	1.4%	52	
Spartanburg 4	Y	\$2,429	\$2,460	\$32	1.3%	51	
Anderson 1		\$2,382	\$2,431	\$49	2.1%	50	
Cherokee		\$2,247	\$2,297	\$50	2.2%	49	Y

**Appendix G, continued. Per Pupil School Funding from State EFA + Act 388 Tax Relief Only, 2006-07 and 2009-10
(ranked by dollar change in per pupil funding)**

District	Poor	\$ PP 2006-07	\$ PP 2009-10	\$ Chg in \$ PP	% Chg \$ PP	\$ Chg Rank	\$2.5 Mill. Min. Cty.
Barnwell 45	Y	\$2,603	\$2,683	\$79	3.0%	48	Y
Edgefield		\$2,485	\$2,570	\$85	3.4%	47	
Spartanburg 3		\$2,300	\$2,393	\$93	4.0%	46	
Hampton 1	Y	\$2,533	\$2,641	\$108	4.3%	45	Y
Greenwood 50		\$2,269	\$2,380	\$111	4.9%	44	
Pickens		\$2,183	\$2,303	\$120	5.5%	43	
Jasper		\$2,030	\$2,155	\$125	6.2%	42	Y
Newberry		\$2,407	\$2,533	\$126	5.3%	41	
Aiken		\$2,263	\$2,391	\$128	5.7%	40	
Georgetown		\$1,528	\$1,663	\$135	8.8%	39	
Kershaw		\$2,338	\$2,477	\$138	5.9%	38	
Anderson 5		\$2,268	\$2,428	\$159	7.0%	37	
Marion 7	Y	\$2,667	\$2,868	\$201	7.5%	36	Y
Berkeley		\$2,338	\$2,565	\$227	9.7%	35	
Hampton 2	Y	\$2,684	\$2,919	\$235	8.8%	34	Y
Abbeville		\$2,424	\$2,686	\$262	10.8%	33	Y
York 1		\$2,468	\$2,737	\$269	10.9%	32	
Greenville		\$2,083	\$2,380	\$297	14.3%	31	
Dorchester 2		\$2,411	\$2,765	\$354	14.7%	30	
Spartanburg 7		\$2,170	\$2,545	\$375	17.3%	29	
Florence 1		\$2,238	\$2,624	\$386	17.3%	28	
Spartanburg 6		\$2,137	\$2,524	\$387	18.1%	27	
Williamsburg		\$2,553	\$2,958	\$405	15.9%	26	Y
Lexington 3		\$2,381	\$2,805	\$424	17.8%	25	
York 3		\$2,268	\$2,704	\$437	19.3%	24	
Spartanburg 2		\$2,402	\$2,863	\$460	19.2%	23	
Anderson 4		\$1,869	\$2,338	\$469	25.1%	22	
Fairfield		\$1,730	\$2,219	\$489	28.3%	21	Y
Dorchester 4		\$2,171	\$2,674	\$503	23.2%	20	
Bamberg 1	Y	\$2,705	\$3,216	\$511	18.9%	19	Y
Oconee		\$1,635	\$2,149	\$514	31.5%	18	
Saluda		\$2,390	\$3,019	\$629	26.3%	17	Y
Bamberg 2		\$2,504	\$3,148	\$643	25.7%	16	Y
Lee	Y	\$2,688	\$3,343	\$655	24.4%	15	Y
Greenwood 52		\$1,570	\$2,391	\$821	52.3%	14	
Charleston		\$1,013	\$1,835	\$823	81.2%	13	
Spartanburg 1		\$2,425	\$3,255	\$830	34.2%	12	

**Appendix G, continued. Per Pupil School Funding from State EFA + Act 388 Tax Relief Only, 2006-07 and 2009-10
(ranked by dollar change in per pupil funding)**

District	Poor	\$ PP 2006-07	\$ PP 2009-10	\$ Chg in \$ PP	% Chg \$ PP	\$ Chg Rank	\$2.5 Mill. Min. Cty.
York 4		\$2,194	\$3,026	\$831	37.9%	11	
Richland 1		\$1,992	\$2,828	\$835	41.9%	10	
Lexington 1		\$2,376	\$3,326	\$950	40.0%	9	
Calhoun		\$1,725	\$2,677	\$952	55.2%	8	Y
Richland 2		\$2,334	\$3,308	\$974	41.7%	7	
Spartanburg 5		\$2,001	\$3,132	\$1,131	56.6%	6	
York 2		\$1,504	\$2,641	\$1,137	75.6%	5	
Lexington 5		\$2,198	\$3,354	\$1,155	52.6%	4	
Allendale	Y	\$2,448	\$3,611	\$1,163	47.5%	3	Y
Beaufort		\$66	\$2,152	\$2,086	3160.1%	2	
McCormick	Y	\$1,611	\$4,054	\$2,443	151.6%	1	Y
SC Average/Total	26	\$2,094	\$2,470	\$376	17.9%		30
SC Median	n.a.	\$2,390	\$2,485	\$94	3.9%		n.a.

Note: Funding from bonds, leases, and charter schools excluded. County board and vocational center funding is merged with district revenue by ADM, where applicable. Missing or incomplete FY2010 tax relief reimbursement data in reported data was corrected for the following districts: Aiken, Cherokee, Richland 1 and 2, Saluda and York 2.

Source: S.C. Dept. of Education, *South Carolina School Districts Statement of Revenues*, for years ending June 30, 2007 and 2010.

<http://ed.sc.gov/agency/cfo/finance/HistoricalFinanceData.cfm>

Appendix H. Per Pupil School Funding from State & Local Sources Only, including Fully Funded EFA Formula, 2006-07 and 2009-10 (ranked by dollar change in per pupil funding)

District	Poor	\$ PP 2006-07	\$ PP 2009-10	\$ Chg in \$ PP	% Chg \$ PP	\$ Chg Rank	\$2.5 Mill. Min. Cty.
Florence 4		\$10,303	\$9,817	-\$487	-4.7%	85	
Dillon 1	Y	\$9,515	\$9,029	-\$486	-5.1%	84	Y
Spartanburg 4	Y	\$8,570	\$8,491	-\$79	-0.9%	83	
Dillon 2	Y	\$8,092	\$8,333	\$241	3.0%	82	Y
Newberry		\$10,536	\$10,790	\$254	2.4%	81	
Greenwood 51	Y	\$9,144	\$9,422	\$277	3.0%	80	
Darlington		\$9,226	\$9,553	\$327	3.5%	79	
Dillon 3	Y	\$8,171	\$8,510	\$339	4.1%	78	Y
Florence 2	Y	\$8,676	\$9,065	\$388	4.5%	77	
Florence 5	Y	\$9,637	\$10,085	\$448	4.6%	76	
Anderson 3	Y	\$8,215	\$8,708	\$493	6.0%	75	
Georgetown		\$9,962	\$10,480	\$518	5.2%	74	
Greenville		\$8,702	\$9,225	\$523	6.0%	73	
Chester		\$9,154	\$9,688	\$534	5.8%	72	Y
Bamberg 2		\$10,526	\$11,086	\$560	5.3%	71	Y
Charleston		\$10,674	\$11,267	\$594	5.6%	70	
Greenwood 50		\$9,485	\$10,089	\$604	6.4%	69	
York 4		\$10,235	\$10,880	\$645	6.3%	68	
Calhoun		\$11,461	\$12,128	\$667	5.8%	67	Y
Cherokee		\$8,956	\$9,678	\$722	8.1%	66	
Orangeburg 3		\$10,697	\$11,458	\$761	7.1%	65	
Anderson 5		\$8,680	\$9,456	\$776	8.9%	64	
Barnwell 29		\$8,841	\$9,638	\$796	9.0%	63	Y
Lexington 2		\$9,077	\$9,879	\$802	8.8%	62	
Anderson 2	Y	\$8,093	\$8,896	\$803	9.9%	61	
Orangeburg 4		\$8,883	\$9,710	\$826	9.3%	60	
Marlboro	Y	\$8,201	\$9,038	\$837	10.2%	59	Y
Laurens 55		\$7,954	\$8,809	\$855	10.7%	58	
Jasper		\$10,168	\$11,030	\$862	8.5%	57	Y
Clarendon 3	Y	\$8,065	\$8,952	\$887	11.0%	56	Y
Anderson 4		\$10,205	\$11,093	\$887	8.7%	55	
Lexington 3		\$10,698	\$11,590	\$893	8.3%	54	
Colleton		\$8,828	\$9,732	\$905	10.2%	53	Y
Marion 7	Y	\$11,228	\$12,144	\$916	8.2%	52	Y
Barnwell 45	Y	\$8,648	\$9,572	\$924	10.7%	51	Y
Union		\$7,969	\$8,900	\$930	11.7%	50	Y
Spartanburg 5		\$10,484	\$11,419	\$936	8.9%	49	

Appendix H, continued. Per Pupil School Funding from State & Local Sources Only, including Fully Funded EFA Formula, 2006-07 and 2009-10 (ranked by dollar change in per pupil funding)

District	Poor	\$ PP 2006-07	\$ PP 2009-10	\$ Chg in \$ PP	% Chg \$ PP	\$ Chg Rank	\$2.5 Mill. Min. Cty.
Florence 3	Y	\$7,844	\$8,779	\$936	11.9%	48	
Lancaster		\$8,193	\$9,145	\$953	11.6%	47	
Anderson 1		\$7,760	\$8,733	\$973	12.5%	46	
Marion 2	Y	\$8,485	\$9,459	\$974	11.5%	45	Y
York 3		\$9,018	\$9,999	\$981	10.9%	44	
Saluda		\$8,397	\$9,386	\$988	11.8%	43	Y
Dorchester 2		\$7,874	\$8,871	\$997	12.7%	42	
Berkeley		\$8,823	\$9,855	\$1,032	11.7%	41	
Aiken		\$7,502	\$8,546	\$1,044	13.9%	40	
Clarendon 2		\$7,792	\$8,840	\$1,049	13.5%	39	Y
Spartanburg 3		\$9,995	\$11,094	\$1,099	11.0%	38	
Kershaw		\$8,662	\$9,761	\$1,100	12.7%	37	
Marion 1	Y	\$8,105	\$9,213	\$1,108	13.7%	36	Y
Lexington 1		\$10,075	\$11,186	\$1,110	11.0%	35	
Sumter 2		\$7,822	\$8,942	\$1,120	14.3%	34	
Orangeburg 5		\$10,399	\$11,538	\$1,139	11.0%	33	
Sumter 17		\$7,678	\$8,871	\$1,193	15.5%	32	
Spartanburg 6		\$8,952	\$10,152	\$1,200	13.4%	31	
Fairfield		\$12,197	\$13,434	\$1,237	10.1%	30	Y
Oconee		\$10,242	\$11,487	\$1,245	12.2%	29	
Chesterfield	Y	\$7,899	\$9,196	\$1,297	16.4%	28	Y
Barnwell 19	Y	\$9,511	\$10,825	\$1,314	13.8%	27	Y
Clarendon 1		\$11,201	\$12,536	\$1,334	11.9%	26	Y
Abbeville		\$8,416	\$9,773	\$1,357	16.1%	25	Y
Hampton 1	Y	\$8,024	\$9,408	\$1,384	17.3%	24	Y
Horry		\$10,162	\$11,591	\$1,429	14.1%	23	
Florence 1		\$8,521	\$9,967	\$1,447	17.0%	22	
Spartanburg 2		\$7,687	\$9,208	\$1,521	19.8%	21	
Allendale	Y	\$10,784	\$12,333	\$1,549	14.4%	20	Y
Laurens 56	Y	\$8,575	\$10,140	\$1,565	18.2%	19	
Edgefield		\$8,514	\$10,105	\$1,591	18.7%	18	
Spartanburg 1		\$9,200	\$10,865	\$1,665	18.1%	17	
York 2		\$11,321	\$13,015	\$1,693	15.0%	16	
Lexington 4	Y	\$8,196	\$9,958	\$1,762	21.5%	15	
Dorchester 4		\$10,940	\$12,703	\$1,763	16.1%	14	
Lexington 5		\$10,070	\$11,972	\$1,902	18.9%	13	
York 1	Y	\$8,459	\$10,384	\$1,924	22.7%	12	

Appendix H, continued. Per Pupil School Funding from State & Local Sources Only, including Fully Funded EFA Formula, 2006-07 and 2009-10 (ranked by dollar change in per pupil funding)

District	Poor	\$ PP 2006-07	\$ PP 2009-10	\$ Chg in \$ PP	% Chg \$ PP	\$ Chg Rank	\$2.5 Mill. Min. Cty.
Richland 2		\$10,098	\$12,086	\$1,988	19.7%	11	
Beaufort		\$10,775	\$12,779	\$2,004	18.6%	10	
Hampton 2	Y	\$9,699	\$11,759	\$2,060	21.2%	9	Y
Pickens		\$8,121	\$10,185	\$2,064	25.4%	8	
Lee	Y	\$9,460	\$11,637	\$2,177	23.0%	7	Y
Spartanburg 7		\$11,802	\$14,046	\$2,244	19.0%	6	
Bamberg 1	Y	\$8,235	\$10,535	\$2,300	27.9%	5	Y
McCormick	Y	\$11,723	\$14,036	\$2,313	19.7%	4	Y
Greenwood 52		\$8,739	\$11,234	\$2,495	28.6%	3	
Williamsburg		\$8,093	\$10,882	\$2,788	34.5%	2	Y
Richland 1		\$12,590	\$15,859	\$3,269	26.0%	1	
SC Average/Total	26	\$9,309	\$9,597	\$288	3.1%		30
SC Median	n.a.	\$8,952	\$9,999	\$988	11.6%		n.a.

Note: Funding from bonds, leases, and charter schools excluded. County board and vocational center funding is merged with district revenue by ADM, where applicable. Missing or incomplete FY2010 tax relief reimbursement data in reported data was corrected for the following districts: Aiken, Cherokee, Richland 1 and 2, Saluda and York 2.

Source: S.C. Dept. of Education, *South Carolina School Districts Statement of Revenues*, for years ending June 30, 2007 and 2010.

<http://ed.sc.gov/agency/cfo/finance/HistoricalFinanceData.cfm>

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